

**DECREE OF THE MINISTER OF FORESTRY AND ESTATES
NUMBER: 511 /Kpts-II/1998; DATED JUNE 24, 1998**

RE

**THE PROVISION ON THE IMPLEMENTATION OF
THE EXPORT OF SAWN TIMBER AND PROCESSED TIMBER**

MINISTER OF FORESTRY AND ESTATES

Considering:

- a. that in the framework of reforming the national economy, enhancing competitiveness and supporting the sustainability of forest resources, it is necessary to stipulate provisions on the implementation of the export of sawn timber and processed timber;
- b. that Article 2 of Decree of the Minister of Industry and Trade No. 185/MPP/Kep/4/98 stipulated that the quantity of sawn timber and processed timber which may be exported shall be stipulated by the Minister of Forestry and Estates;
- c. that the provision on the implementation of the export of sawn timber and processed timber needs to be stipulated in a decree of the Minister of Forestry and Estates.

Bearing in mind:

1. Law No. 5/1967;
2. Government Regulation No. 21 /1970 jo Government Regulation No. 18/1975;
3. Government Regulation No. 22/1967 jo Government Regulation No. 21/1980;
4. Presidential Decree No. 29/1990 jo Presidential Decree No. 28/1991 jo Presidential Decree No. 40/1993 jo Presidential Decree No. 24/1997 jo Presidential Decree No. 53/1997jo Presidential Decree No. 32/1998 jo;
5. Presidential Decree No. 30/1990 jo Presidential Decree No. 29/1991 jo Presidential Decree No. 41 /1993 jo Presidential Decree No. 67/1998;
6. Presidential Decree No. 61/1998;
7. Presidential Decree No. 122/M/1998;
8. Decree of the Minister of Forestry No. 402/Kpts-IV/90 jo Decree of the Minister of Forestry No. 525/Kpts-II/1991;
9. Decree of the Minister of Industry and Trade No. 278/MPP/Kep/6/1998.

HAS DECIDED

To stipulate:

THE DECREE OF THE MINISTER OF FORESTRY AND ESTATES ON THE PROVISION ON THE IMPLEMENTATION OF THE EXPORT OF SAWN TIMBER AND PROCESSED TIMBER.

Article 1

Referred to this decree as:

- (1) Sawn timber shall be the conversion of logs with a chain saw into regular shapes having parallel sides and right angles with the water content of not more than 18%.
- (2) Processed timber shall be timber processed directly from logs and or chips materials to produce veneer, chips and pulp excluded from this provision, except sawn timber undergoing further processing in the form of sanded/planed sawn timber or moulding, dowel and fingerjoint of over 6 mm thick.

Article 2

- (1) The quantities of sawn timber and processed timber which may be exported shall be compatible with the legitimate timber processing industry's level of capacity in producing sawn timber and processed timber.
- (2) Sawn timber and processed timber which shall be exported shall come from legal timber raw materials covered with the SAKB document, in the case of logs, and SAKO, in the case of sawn timber.

Article 3

- (1) Prior to the issuance of SAKO document for export, it is compulsory that any sawn timber and processed timber which shall be exported should be subjected to physical by means of random resting by a forestry official appointed by the head of a provincial forestry service and the head of regional office of the ministry of forestry and estates for regions where there is no forestry service.
- (2) The physical inspection as meant in paragraph (1) shall be conducted by counting all the bundles and as for volume the volume/type 10% of the timber lot shall be randomly measured with a provision that if the result of volume measurement exceeds 5% it is compulsory that the measurement should be repeated without any tolerance of type.
- (3) Timber inspect on shall be conducted at the site where the timber is being prepared for shipment and an official report on inspection (BAP) shall be drawn up in this respect.

Article 4

- (1) As for the timber originating from various documents of SAKO/Transportation Pass/Certificate of Origin of Timber issued by the authorities from the place of origin of the timber to be exported, it is compulsory that these documents should be replaced with SAKO for export.
- (2) A SAKO in substitute for export shall be issued on a self-assessment basis by an officer of the exporter concerned.
- (3) The head of the local provincial office of the Ministry of Forestry and Estates shall determine the officer issuing a SAKO designated by the exporter concerned.

Article 5

The Director General of Forest Business Operations shall on every 10th days of the next month report the realization of exports to the Minister of Forestry and Estates.

Article 6

Exporters of sawn timber and processed timber including the plywood and pulp industry shall, every 5th day of the next month, be obligated to make a report on the realization of exports to the Director of Export of the Ministry of Industry and Trade and send its copy to the Director of Utilization and Distribution of Forest Products of the Ministry of Forestry and Estates.

Article 7

Provisions contradicting this decree shall be declared null and void.

Article 8

Matter not yet accommodated in this decree shall be further stipulated by the Director General of Forest Business Operations.

Article 9

This decree shall take effect as from the date of stipulation.

Stipulation in Jakarta on June 24, 1998

THE MINISTER OF FORESTRY AND ESTATES

sgd
Dr. Ir. MUSLIMIN NASUTION