

**DECREE OF THE MINISTER OF INDUSTRY AND TRADE OF THE REPUBLIC OF
INDONESIA**

NUMBER: 186/MPP/KEP/4/1998; DATED: FEBRUARY 20, 1998

RE

PROVISIONS ON THE EXPORT OF SAW-WOOD AND PROCESSED WOOD

MINISTER OF INDUSTRY AND TRADE OF THE REPUBLIC OF INDONESIA,

Considering:

- a. that in the framework of the national economic reformation and to create a business order in the business as well as to support the efforts for natural resources preservation as support for the global environment quality, it is necessary to stipulate Provisions for the Export of Saw Wood and Processed Wood;
- b. that the wood sector industries provides vary extensive employment opportunities in particular to the small community, so that it shall be stimulated by the export of saw-wood and Processed wood;
- c. that therefore, it is necessary to issue a Decree of the Minister of Industry and Trade.

Bearing in mind:

1. The "Bedrijfsreglementaring Ordonantie" of 1934 (State Gazette of 1938 No. 86) as already amended and added;
2. Act of the Republic of Indonesia No. 5 of 1984 concerning the Industrial Sector;
3. Act of the Republic of Indonesia No. 5 of 1990 concerning the Conversion of Biological Natural Resources and the Ecosystem there-of.
4. Act of the Republic of Indonesia No. 7 of 1994 concerning the Ratification of the Agreement Establishing the World Trade Organization, (State Gazette of 1994 No. 57, Supplementary State Gazette No. 3564);
5. Act of the Republic of Indonesia No. 10 of 1995 on Customs Affairs (State Gazette of 1995 No. 75, Supplementary State Gazette No. 3612);
6. Government Regulation of the Republic of Indonesia No. 1 of 1982 concerning the Implementation of the Export, Import and Foreign Exchange Traffic (State Gazette of 1982 No. 1, Supplementary State Gazette No. 3210) as already amended by Government Regulation of the Republic of Indonesia No. 24 of 1985 (State Gazette of 1985 No. 33, Supplementary State Gazette No. 3291);
7. Government Regulation of the Republic Indonesia No. 20 of 1994 concerning the Shares Ownership in a Companies which have been established in the framework of Foreign Capital Investment (State Gazette of 1994 No. 28, Supplementary State Gazette No. 3552);
8. Decree of the President of the Republic of Indonesia No. 260 of 1967 concerning the Confirmation of the Task and Responsibility of the Minister of Trade in the Foreign Trade Sector;
9. Decree of the President of the Republic of Indonesia No. 44 of 1974 concerning the Departmental Organization on Principles;
10. Decree of the President of the Republic of Indonesia No. 2 of 1996 concerning the Amendment on the Decree of the President of the Republic of Indonesia No. 15 of 1984 concerning Organizational Structure of Departments as already amended twenty five times, ultimately by Decree of the President of the Republic of Indonesia No. 61 of 1995;
11. Decree of the President of the Republik Indonesia No. 62/M of 1998 concerning the Formation of the VIIth. Development Cabinet;
12. Decree of the Minister of Industry arid Trade of the Republic of Indonesia No. 323/Kp/II/84 concerning the Implementation of the Compulsory Registration of Companies as already amended by Decree of the Minister of Trade of the RI No. 193/KP/VIII/1990;
13. Decree of the Minister of Industry and Trade of the Republic of Indonesia No. 408/MPP/Kep/10/97 concerning the Provisions and Procedures in the provision of a TDUP/Trade Business Registration Evidence and a SIUP/Trade Business Licence;
14. Decree of the Minister of Industry and Trade of the Republic of Indonesia No. 225/Kp/X/95 concerning the Export of Goods abroad Outside the General Provisions in the Export Sector jo. the Decree of the Minister of Industry and Trade Nomor 254/MPP/Kep/8/1996;
15. Decree of the Minister of Industry and Trade of the Republic of Indonesia No. 29/MPP/SK/2/96 jo. No. 92/MPP/Kep/4/1994 concerning the Organization and Working System of the Department of Industry and Trade;
14. The Decree of the Minister of Industry and Trade of the Republic of Indonesia Number 182/MPP/Kep/4/1998 concerning the General Provision in the Export Sector.

HAS DECIDED:

To stipulate:

**THE DECREE OF THE MINISTER OF INDUSTRY AND TRADE
CONCERNING THE PROVISIONS ON SAW-WOOD AND PROCESSED WOOD.**

Article 1

(1) Saw-wood shall be wood which is sawn or split lengthwise, cut or skinned, squeezed or not, burnished or finger-jointed with a thickness of more than 6 mm, without puncturing; and which has already passed through an oven-dry process (KD) with a water contents of not more than 18%, included in the Item tariff Numbers HS 4406 and 4407;

Article 2

(1) The amount/volume of Saw-Wood and Processed wood exported each year shall adjusted to such a volume as not to threaten the preservation of the forest resources and the life environment;
 (2) The amount/volume as referred to in paragraph (1) shall be stipulated by the Minister of Forestry and Plantations.

Article 3

(1) The export of Saw-Wood and Processed wood can be conducted by any business entity which meets the general and special conditions.
 (2) The general conditions as referred to in paragraph (1) are to attach to the export documents
 a. a copy of the SIUP/Trade Business Licence;
 b. a copy of the TDP/Company Registration Evidence;
 c. a copy of the NPWP/Taxpayer Identification Number;
 d. a copy or the Company's Establishment Deed.
 e. a copy of the Saw-wood Processed Wood and or Processed Wood Permanent Industrial Business Licence from the Technical Department or from a Non-Departmental Government Institution;
 (3) The special conditions as referred to in paragraph (1) shall be as follows:
 a. For Saw-wood and Processed Wood originating from Log-wood originating from a Production Natural Forests, to attach the first sheet of the SAKO/Processed Wood Transportation Letter for outside Java (original) and or a Transportation Pass; for Java (original);
 b. For Saw-wood and Processed Wood from Log Wood originating from an Artificial Forests, to attach the first sheet of the SAKO/Processed Wood Transportation Letter for outside Java (original) and or a Transportation pass for Java (original);
 c. For Saw-wood and Processed Wood from Log Wood originating from the smallholders estates, to attach the Certificate on the origin of the wood, which shall be issued by the local Forestry and Land, Conservation Service/the Head of the IInd. Grade Regional (Regent) (original);
 d. For Saw-wood and Processed Wood from Log Wood originating from Plantation Areas, to attach the Plantation Business Licence (copy);

Article 4

(1) Exported of Saw-wood and Processed Wood shall report their monthly export plan to the Export Director of the Department of Industry and Trade with a carbon copy to the Director of Forest Yield Utilization and Distribution of the Department of Forestry and Estates;
 (2) Exporters of Saw-wood and Processed Wood shall report the realization of their export at the latest 10 (ten) working days after the shipping to the Director of Export of the Department of Industry and Trade with a carbon copy to the Director of Forest Yield Utilization and Distribution of the Department of Forestry by attaching a copy of the L/C, PEB/Goods Export Notification and the B/L;

Article 5

Violations towards the provisions in this Decree shall be imposed with sanctions based on the Legislative Regulations in force.

Article 6

This Decree shall start to be effective as of the date of stipulation.

For the information of the public, it is instructed to publish this Decree by inserting it in the Official Gazette of the Republic of Indonesia.

Stipulated in: Jakarta

On: February 20, 1998

THE MINISTER OF INDUSTRY AND TRADE OF THE RI

SGD.

MOHAMAD HASAN