INDONESIA TIMBER LEGALITY ASSURANCE SYSTEM

presented at
International Symposium on Verified Legality of Wood and Wood Products
Tokyo, 10-11 December 2010
Presentation Outline

I. Rationale
II. Goal and objectives
III. Progress
IV. Future challenges and opportunities

Indonesian Forest Categorized by Function

- Conservation Forest: 20.5 M Ha
- Protected Forest: 33.5 M Ha
- Production Forest: 66.35 M Ha
- Total Forest Area: 120.35 M Ha
I. Rationale

A. NATIONAL

1. Sustainability of Indonesia’s forest resources is necessary
2. Combatting illegal logging
   a. Hard approaches: law enforcement
   b. Soft approaches: development of TLAS

B. INTERNATIONAL

1. International recognition to the role of tropical forests as a lung of the world
2. International recognition to the important role of tropical forests in addressing climate change issues
II. Goal and Objectives

A. GOAL

- Maintain sustainability of Indonesian forest resources for sustainable development of the country

B. OBJECTIVES

1. To stop illegal timber and timber products and its associated trades
2. To promote SFM and certified legal timber to domestic and international market
III. Progress

A. Milestones
B. Current Status on TLAS
C. Indonesia TLAS
A. Milestones on Timber Legality in Indonesia

- 2002 - Definition of Legality
- 2003 – Development Timber Legality Criteria & Indicator (Natural Production Forest, Industrial Plantation Forest, Community-Based Plantation Forest, Private Forest, Convertible Forest – Initiate by TNC)
- 2006 – Harmonize the TL/C&I to Government Regulation
- 2007 – Summit the Harmonized TL/C&I to Government
- 26 January 2007, in the *Chatham House Illegal Logging Update*, Indonesian delegation made a presentation on “Preparing VPA in Indonesia through Multi-stakeholders Process” → Indonesia, in principle, was ready to enter into VPA negotiation processes.
B. Current Status

- TLAS development – Completed
- Revise Minister of Trade Decree on Export of Timber/Timber Product
- Roadmap for Implementation
  - Dissemination (Stakeholders)
  - Coordination (Related Sectors)
  - Capacity building (Stakeholders)
C. Indonesia TLAS

1. Definition of Timber Legality
2. Legal Base of TLAS
3. TLAS Development Principles
4. Component of TLAS
1. Definition of timber legality

Timber is legal when the validity of its origin, logging permits, logging system and procedures and their implementation, processing, administration and transport documentation, and trade or transfer are verified as meeting all applicable laws and regulations.
2. Legal base for TLAS

- **MOF of RI Decree No. P.38/ Menhut-II/ 2009**
  - Standard and evaluation guidance of sustainable production forest management and timber legality verification on license holder or forest right holder

- **DG of FPM Decree No. P.6/ VI-Set/ 2009**
  - Standard and performance evaluation guidance of production forest management and timber legality verification

- **DG of FPM Decree No. P.02/ VI-BPPHH/ 2010**
  - Guidance of performance evaluation of sustainable production forest management and timber legality verification
3. TLAS Development Principle

- Governance
- Representativeness
- Credibility
4. Components of TLAS

- Independent Accreditation Agency (National Accreditation Committee) NAC / KAN
- Independent Timber Verification Bodies (LP&VI)
- Concessionaires/ Timber Utilisation Permits/ Community Based Forest/ Private Forest/ Primary & Secondary Timber Industries
- TLAS Certificate
- TLAS
- Report for Correction
- Independent Forest Monitoring
- Corrective Action Request
- Complaint
Components of TLAS

- **KAN/NAC**: accreditation body, independent and internationally recognized
- **NGO/CSO**: independent forest monitoring
- **LP&VI**: Independent Timber Verification Bodies, agency carry out verification.
- **Business Unit Management**: On Farm & Off Farm
- **Government**: Regulator & facilitator
D. TLAS

1. Why Does TLAS?
2. Scope of TLAS
3. Process of TLAS
1. Why does TLAS?

- Giving assurance of legality of forest products
- Promoting legality of forest products through implementation of standard legality to consumers, suppliers, and producers
- Demanding laws enforcement and good governance on forest products
- Encouraging private sectors (timber industries) to apply policies related with chain of custody or timber legality verification on supply of raw material
- Trend in international trade of timber requires to proof legality of forest products
2. Scope/ Object of TLAS

- State Owned Forests managed by Forest Concession Holders (HPH, HTI & HPH-RE)
- State Owned Forests managed by Communities (HTR/HKm)
- Privately Owned Forests
- IPK Permit Holders (Convertible Forests)
- Primary & Secondary Timber Industries
### Principles, Criteria, Indicator and Verifier

<table>
<thead>
<tr>
<th>Objects</th>
<th>Principles</th>
<th>Criteria</th>
<th>Indicator</th>
<th>Verifier</th>
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<td>State Owned Forests managed by Forest Concession Holders</td>
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<td>State Owned Forests managed by Communities</td>
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<td>Primary &amp; Secondary Timber Industries</td>
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3. Process of TLAS Certification Issuance

Application submission by Management Unit → Document Review → Publication → Panel Review → Field Audit → Certification Decision → Issuance of TLAS Certificate
Current Status of Verification Process

A. Accredited Independent Timber Verification Body
B. Database SFM dan Verification
A. Accredited Independent Timber Verification Body

- Accredited by KAN (based on ISO GUIDE 65)
- 5 agencies have been accredited, namely:

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<th>No</th>
<th>Name</th>
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<td>1.</td>
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<td>2.</td>
<td>PT. Sucofindo SBU SICS</td>
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<td>5.</td>
<td>PT. TUV International Indonesia</td>
<td>LVLK-005-IDN</td>
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</table>

- 4 agencies are on the process to be accredited, namely:
  1. PT. SGS Indonesia
  2. PT. Sarbi Moerhani Lestari
  3. PT. Almasentra Konsulindo
  4. PT. Equality Indonesia
### B. Database SFM and Certification

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TOTAL = 15 Units
## Database SFM and Certification (contd...) 

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**TOTAL = 12 Units**
## Database SFM and Certification (contd... )

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**TOTAL = 32 Units**
IV. Future Challenges & Opportunities

1. FUTURE CHALLENGES
   a. Capacity Building To Implement TLAS (MFP, PT. Sucofindo, BRIK, ISWA, APKINDO, etc)
   b. Economic reward to performing countries and stakeholders involve

2. OPPORTUNITIES
   a. Increasing Demand For Environmental Friendly Timber/timber products
   b. Increasing Awareness Of Importing Countries To Participate in combatting illegal logging
   c. Pressure To Importing Countries Not To Import Illegal Timber/timber products
Domo Arigato Gozaimashita
どうも有り難うございました