



**FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS**

GUIDELINE I



**REQUIRED DOCUMENTATION FOR
TRANSPORTATION OF TIMBER
WITHIN INDONESIA
FOR TSUNAMI RECONSTRUCTION**



Guideline II



Information
Note I



Information
Note II





GUIDELINE I



This guideline was produced jointly by the Food and Agriculture Organization of the United Nations (FAO), the Ministry of Forestry (MoF) of Indonesia and the Provincial Forest Service (DISHUT) of Nanggroe Aceh Darussalam (NAD) under the "Forestry Programme for Early Rehabilitation of Asian Tsunami Affected Countries" (OSRO/GLO/502/FIN), financed by the Government of Finland.

This guideline is part of a series of guidelines and information notes prepared to assist with the procurement and use of suitable timber for rehabilitation and reconstruction in NAD and Nias. They are:

- Guideline 1 : Required Documentation for Transportation of Timber within Indonesia for Tsunami Reconstruction;
- Guideline 2 : Clearance Procedures for Timber Imported into Indonesia for Tsunami Reconstruction;
- Information Note 1 : Procurement of Timber for Tsunami Reconstruction in Indonesia; and
- Information Note 2 : Timber Usage for Tsunami Reconstruction in Indonesia.

These documents are available at: <http://www.fao.org/forestry/site/tsunami/en>

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GLOSSARY OF TERMS AND ABBREVIATIONS

| | |
|----------------|---|
| BAP | : Berita Acara Pemeriksaan; an official statement of assessment |
| DHH | : Daftar Hasil Hutan; a list documenting the type and volume of forest products |
| DR | : Dana Reboisasi; fee charged per cubic metre of standing volume based on pre-harvest inventory result |
| LHP | : Laporan Hasil Penebangan; a felling report |
| LMKB | : Laporan Mutasi Kayu Bulat; a report of forest product (logs) change |
| LMKBK | : Laporan Mutasi Kayu Bulat Kecil; a report of forest product (small to medium logs) change |
| LMKO | : Laporan Mutasi Kayu Olahan; a report of processed woods change |
| NAD | : Nanggroe Aceh Darussalam; Name of Aceh Province |
| PIB | : Pemberitahuan Impor Barang; a letter of importation document |
| PIBT | : Pemberitahuan Impor Barang Tertentu; a letter of importation document (certain goods or by certain way of transporting) |
| PKAPT | : Pedagang Kayu Antar Pulau Terdaftar; a document issued by the Ministry of Trade, registering timber for inter-island trade |
| PSDH | : Provisi Sumber Daya Hutan; royalty on logs, charged on the basis of standing volume |
| P2LHP | : Pejabat Pengesah Laporan Hasil Penebangan; a government official authorized to inspect unprocessed logs and validate associated documentation |
| P2SKSKB | : Pejabat Penerbit Surat Keterangan Sahnya Kayu Bulat; a government official who is licensed by the Ministry of Forestry to issue a SKSKB |
| P3KB | : Petugas Pemeriksa Penerimaan Kayu Bulat; a government official authorized to inspect logs and validate associated documentation |
| PUHH | : Penatausahaan Hasil Hutan; Provision regarding the Indonesian Wood Administration |
| SPPB | : Surat Persetujuan Pengeluaran Barang; a letter of approval of release of goods/timbers authorized by Regional Customs Service Officials |
| SKSKB | : Surat Keterangan Sahnya Kayu Bulat; a document authorizing transportation of logs |
| SKSKBK | : Surat Keterangan Sahnya Kayu Bulat Kecil; a document authorizing transportation of small to medium logs |
| SP2 | : Surat Penyerahan Petikemas; a letter of Handover of Container issued by the Container Terminal Unit |
| UTPK | : Unit Terminal Peti Kemas; the Container Terminal Unit |

Objective

The objective of this guideline is to clarify the use of transportation documents issued by the Ministry of Forestry for the transportation of timber within Indonesia. The primary aim of the guideline is to assist organizations involved in the post-tsunami rehabilitation and reconstruction of Nanggroe Aceh Darussalam (NAD) and Nias to transport timber needed for their efforts.

Overview

All forest products removed from State forests must be accompanied by correct documentation for transportation. According to Article 33 under the Basic Constitution Law (1945), all natural resources that have an impact on people's prosperity are controlled and utilized by the State Government. Forests are one of these resources. Because forest products are classified as State assets, the Government regulates the administration and distribution of these products. The forest product administration assessment system is known as the *Penatausahaan Hasil Hutan* (PUHH). All provinces, districts and cities within Indonesia are required to adhere to the PUHH. This legislation describes the process and necessary documentation for recording and reporting production plans, tree felling, measuring, collecting, transporting, processing and distribution of forest products and also the report.

Scope of the guideline

The guideline outline transportation documents required for both domestic timber and imported timber products. This includes transporting logs from the forests to forest industry and processed wood products from the warehouse to the end user or local merchants. The guideline will help identify which transportation documents are required at each point in the processing and distribution chain.

Regulations relevant to documentation of timber transportation

- Customs Law of the Republic of Indonesia Number 10 (1995);
- Customs Law of the Republic of Indonesia Number 17 (2006) concerning revision of Customs Law of the Republic of Indonesia Number 10 (1995);
- Forestry Act of the Republic of Indonesia Number 41 (1999);
- Government Regulation № 34 (2002) concerning on Forest Governance and Planning Use for Utilization and Management of Forested Areas;
- Joint Decree of Ministry of Transportation, Ministry of Forestry, and Ministry of Trade and Industry № KM 3 (2003); № 22/Kpts-II/2003; № 33/MPP/Kep/1/2003 concerning monitoring on domestic timber shipment through harbours within Indonesian Ocean Territory;
- Joint Decree of Ministry of Transportation, Ministry of Forestry, Ministry of Industry, and Ministry of Trade № KM.12 (2006); SKB.53/Menhut-II/2006; 61/M-IND/Kep/3/2006; 02/M-DAG/Kep/1/2006 concerning the revision of Joint Decree of Ministry of Transportation, Ministry of Forestry, and Ministry of Trade and Industry № KM 3 (2003); № 22/KPTS-II/2003; № 33/MPP/Kep/1/2003 concerning monitoring on domestic timber shipment through harbours within Indonesian Ocean Territory;
- Minister of Agriculture Decree № 38/kpts/hk.310/1/90 concerning Requirements and Actions needed for Plant Quarantine regarding to Plants and Seed Import into the Region of Republic of Indonesia;

- Minister of Forestry Decree № P.55/Menhut-II/2006 concerning Administration System of Forest Products from State Forest;
- Minister of Forestry Decree № P.63/Menhut-II/2006 concerning revision of Minister of Forestry Decree № P.55/Menhut-II/2006 on Administration System of Forest Products from State Forest;
- Director General of Customs and Excise Number KEP-07/BC/2003 concerning Guidelines for Customs Procedure in Importation;
- Letter of Director General Customs and Excise Number S-573/BC/2005 concerning settlement of Importing Goods for National Calamity in NAD Province and its surrounding area after the end of the Emergency Response Phase;
- Letter of Director General Customs and Excise S-803/BC/2005 concerning Re-statement on the settlement of importing goods for national calamity in NAD Province and its surrounding area after the end of the Emergency Response.

Logs transported from forests

At least twice a month, logging concessionaires (IUPHHK/IPK/IPHHK license holder) must complete a Felling Report (LHP). Subject to a satisfactory assessment, the LHP will be approved by a government official (P2LHP¹). An assessment covers validation of the LHP, scaling and grading of harvested logs, and verifies that the government tax (PSDH² and DR³) has been paid. After the assessment, the P2LHP makes an official statement of assessment that is called a *Berita Acara Pemeriksaan (BAP)*. The BAP is then used by the concessionaire (IUPHHK/IPK/IPHHK license holder) to apply to local authorities for an official timber transportation document, a *Surat Keterangan Sahnya Kayu Bulat (SKSKB)*. This document describes in detail the species, volume, number of pieces, location of production, name of company selling the timber and name of company purchasing the timber, mode and type of transportation, vehicle registration and destination of timber. Government tax has already been paid by the license holder (IUPHHK/IPK/IPHHK) after LHP authorization so that an SKSKB can be issued.

After the documentation of the timber to be transported has been completed by the license holder (IUPHHK/IPK/IPHHK), the local government authority (Forestry Service) will assign an official (P2SKSKB⁴) to arrange an issue an SKSKB, authorizing transportation of the timber consignment by the licensee. According to Minister of Forestry Decree № P 55/Menhut-II/2006, the P2SKSKB official has to physically inspect the logs before the SKSKB can be issued.

In the cases where the responsible government official can not visit the site, an SKSKB can be substituted for an FA-KB. The FA-KB is a document that can only be produced by a company employee who is registered with the Dinas Kehutanan.

Forestry industry

Every log that is received at a processing facility must be checked again by a P3KB⁵ government official 24 hours after arrival at the latest. In the case of a difference between the

¹ AP2LHP is a government official authorized to conduct felling assessments.

² APSDH is a royalty on logs, charged on the basis of standing volume.

³ A DR is a reforestation fee charged per cubic meter of standing volume based on pre-harvest inventory results.

⁴ AP2SKSKB is a government official who is licensed by MoF to issue a SKSKB.

⁵ AP3KB is a government official who is licensed by MoF to receive and verify logs.

inspection and the documentation (SKSKB/FA-KB), the P3KB is obliged to make a complete physical examination (100 %) and has to report his/her result to his/her supervisor for further actions.

After an examination, the P3KB has to produce a List of the large and small logs in the consignment, Daftar Pemeriksaan Kayu Bulat/Kayu Bulat Kecil (DPKB/DPKKB) including a statement of assessment, Berita Acara Pemeriksaan (BAP). When an SKSKB/FA-KB consignment is received, the P3KB has to recapitulate the document with the top copy is forwarded to the receiver and used as legal proof of the consignment. The carbon copy also signed by the P3KB to invalidate the use of the same document for other timber consignments, is returned to the licensee. Recapitulation of the SKSKB/FA-KB and BAPs are submitted to Head of Forestry District Office (Dinas Kehutanan Kabupaten/Kota) and Head of Provincial Forestry Office. The former being twice a month and the latter once a month.

Industry → industry / harbour / warehouse

When a consignment of processed wood is ready for transport, the owner must have a *Faktur Angkutan Kayu Olahan (FA-KO)*. In the industry/harbour/warehouse FA-KO the top copy is submitted to P3KB. The P3KB has to recapitulate FA-KO the top copy in the industry/harbour/warehouse. The second copy with *Daftar Kayu Olahan (DKO)* from primary forest industry which has been accepted and signed by Company employee should be kept as a receipt. The owner of further processed woods obliges to make a report of produced woods change each month, and submit a monthly report of actual of woods sold to Provincial Forestry Office.

Transportation of processed wood products (domestic products)⁶ within a district or city

All processed wood products in the form of sawn timber, woodchips, veneer, plywood and laminated veneer lumber, being transported to and from wood processing facilities, warehouses or other storage facilities must be accompanied by an FA-KO (based on Forestry Ministerial Decree No P.55/Menhut-II/2006, article 13).

FA-KO is also required for transportation of charcoal from processing industry to industrial centre or storage facility.

AFA-KO is not required when such products are transported from a warehouse or other storage facility to end users or local merchants (no further processing required) within a district or city limits. In this instance an invoice issued by the company selling the processed products is adequate documentation.

Transportation of processed wood products from domestic sources that are donated for reconstruction and rehabilitation in NAD province and Nias

Warehoused / stored timbers → end users

⁶ Minister of Forestry Decree No P.55/Menhut-II/2006, article 13.

Minister of Forestry Decree № P. 55/Menhut-II/2006 states that transportation of processed wood products, in the form of sawn timber, woodchips, wood pulp and plywood, from warehouses or other storage facilities require a Company Invoice (Nota Perusahaan) only applies for transportation to end users of products or local merchants (not to be further processed) within a District or City, including the delivery of wood products to rehabilitation and reconstruction sites within a district or city.

Transportation across district or provincial boundaries

The Decree of the Ministry of Forestry № P. 55/Menhut-II/2006, article 13 states that a FA-KO must accompany processed wood products, in the form of sawn timber, woodchips, wood pulp and plywood, when transported within industry. Transportation from storage facility to other places outside the timber industry also requires a Company Invoice (Nota Perusahaan) only.

Inter-island shipment (domestic timber products)

According to the Joint Decree of Ministry of Transportation, Ministry of Forestry, Ministry of Industry, and Ministry of Trade № KM.12 (2006); SKB.53/Menhut-II/2006; 61/M-IND/Kep/3/2006; 02/M-DAG/Kep/1/2006 concerning the revision of Joint Decree of Ministry of Transportation, Ministry of Forestry, and Ministry of Trade and Industry № KM 3 (2003); № 22/Kpts-II/2003; № 33/MPP/Kep/1/2003 concerning on monitoring on domestic timber shipment through harbours within Indonesian Ocean Territory, there are several additional steps required :

- Prior to loading or unloading, all necessary documents (SKSKB/FA-KB/FA-KO/Nota Perusahaan) and physical timber products need to be checked by local authorities (P3KB);
- An SKSKB document must be obtained from a P2SKSKB after assessment and verification have been carried out;
- Shipments must be accompanied by a PKAPT (*Pedagang Kayu Antar Pulau Terdaftar*) issued by the Ministry of Trade, which registers timber consignments for inter-island trade;
- The shipping vessel must fly the Indonesian national flag;
- A sailing permit must be issued by the Head of Port and Harbour authorities (*Syahbandar*) after completing the above requirements;
- If the shipping vessel is indicated to bring illegal timbers, the vessel and the timbers would be arrested by local authority for further investigation.

Transportation of imported processed wood products donated for reconstruction and rehabilitation in NAD and Nias

A regional customs office must clear imported processed wood products. Once the wood products have been cleared by customs, the importer must present import documents or a Bill of Lading to a P3KB at the port and wood processing plant for further examination⁷. Consignments that are transported in single or multiple shipments from public ports to wood processing plants must be accompanied by a certificate drawn up by the owner of the consignment indicating the type, volume, species and number of pieces of timber transported. This certificate must be accompanied with copies of the import documentation. Minister of Forestry Decree № P. 55/ Menhut-II/2006 states that imported timber transported to places of rehabilitation and reconstruction in NAD and Nias article 38 states that imported wood does not need SKSKB.

⁷ Minister of Forestry Decree № P.55/Menhut-II/2006.

The documents required for transport of imported timber are as follows :

- An SPPB (*Surat Persetujuan Pengeluaran Barang*) authorized by Customs and Excise officials, which is a letter of approval of release of goods (including timber);
- An SP2 (*Surat Penyerahan Petikemas*) Letter of Handover of Container issued by the Container Terminal Unit, the UTPK (*Unit Terminal Peti Kemas*);
- A statement letter from the owner (importer) concerning the imported wood products (providing a description of the goods, final destination, places where the goods are to be stored, means of transportation, quantity, etc.);
- An authorized letter from a P3KB regarding imported timber for transportation purpose;
- Invoice;
- APIBT (*Pemberitahuan Impor Barang Tertentu*) letter of importation document;
- Guaranteed and Recommended Letter from BRR “Tim Terpadu” regarding exemption of duty and tax import and an accompanying letter for transportation to NAD Province and Nias.
- Phytosanitary Certificate or Certificate of Inspection issued by quarantine officer.

Conclusion

All forest products harvested in State Forests must be accompanied by appropriate documentation when transported so that it is clear that the products are from legal area and in transportation must be accompanied by SKSKB. All processed wood products such as sawn timber, woodchips, veneer, plywood, and laminated veneer lumber, which are used mainly in the construction of housing and civic buildings, require a FA-KO for transportation across district and provincial boundaries. While products which are merely transported from warehouses or other storage places directly to end users or local merchants (not to be further processed) within a district or city needs a Company Invoice (Nota Perusahaan) only.

Transportation of imported wood products donated for rehabilitation and reconstruction does not require SKSKB documents. However, it is necessary to attach importation documents when such timber is shipped or transported to the final destination. This will help local authorities recognize whether the products are imported or are from domestic sources.

Knowledge of the timber administration system and transportation procedures will help speed up the delivery of timber products required for the rehabilitation and reconstruction programme for NAD and Nias.

For further information, please contact:

| Ministry of Forestry | Provincial Forest Service NAD | FAO |
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| <p>Director General of Forestry Production, Gedung Manggala Wanabakti, Block I, Lantai V, Jl. Gatot Subroto Jakarta 10276 Indonesia</p> <p>tel +62 (021) 5730240 fax +62 (021) 5732721</p> <p>www.dephut.go.id</p> | <p>Dinas Kehutanan NAD Jl. Sudirman No 21 Banda Aceh 23239</p> <p>tel +62 (0651) 42277 fax +62 (0651) 43628</p> | <p>Rehabilitation Support and Coordination Unit Jl. Angsa No. 12 Ateuk Deah Tanoh Banda Aceh 23244</p> <p>tel +62 (0651) 7428576 fax +62 (0651) 635636</p> <p>FAO Representation, Indonesia Menara Thamrin Kav. 3 Jakarta 10250 PO. BOX 2587, Jakarta 1001</p> <p>tel +62 (021) 3141308 fax +62 (021) 3900282</p> <p>www.fao.org</p> |

