



**FAO's Position Regarding Sources of Wood for Tsunami Reconstruction
in Aceh Province, Indonesia**

(May 2005)

Background

The 26 December 2004 earthquake and tsunami in the Indian Ocean had a particularly large impact on Aceh Province in Indonesia, which was close to the earthquake's epicentre. Nearly 5 percent of the population (125 000 people) was killed and approximately 10 percent (400 000 people) was displaced. Considerable damage was inflicted on houses, buildings, ports, bridges and other infrastructure, including for fisheries and agricultural production and processing. Trees and forests located along the coast were significantly affected, although the total damage was small relative to the total forest resources in Aceh.

The Aceh reconstruction programme will require large volumes of lumber, plywood and other wood products. The greatest volume needed will be for residential construction. This wood will need to be sourced from within the province, from other provinces in Indonesia and from wood imports.

Several factors should be taking into consideration when planning the procurement of wood for Aceh's reconstruction:

- The annual consumption of wood products (not including fuelwood) in Aceh province is estimated to be around 208 000 cubic meters (m³). The reconstruction programme is estimated to require an additional 415 000m³. However, the total annual legal cut in Aceh is only 50 000 m³.
- Reconstruction activities funded by international agencies are required to comply with Indonesia's laws and regulations, including those controlling the production and sale of wood products.
- Security problems in Aceh have limited the amount of legal timber harvesting in the province, and, along with institutional weaknesses, have compounded difficulties with forest monitoring and control of illegal harvesting. Timber concession licences have been issued for harvesting in three types of forest: natural forest ("HPH" lands), plantation forests ("HTI" lands) and forest land designated for conversion to agriculture, plantation crops or plantation forests ("IPK" lands), however, legal harvesting currently is being carried out only on IPK lands. Security problems have reduced harvesting on IPK lands to half the allowable cut and have halted harvesting and management of HTI lands, and a ban on logging in natural forests (HPH lands) was imposed in 2001.
- While production of wood elsewhere in Indonesia is sufficiently high to provide for the reconstruction needs in Aceh, difficulties in determining the legality of the product pose significant problems for organizations committed or required to purchase domestically produced wood.

- Destruction and damage to transportation infrastructure, such as roads, bridges and port facilities, is making delivery of goods for reconstruction difficult.

Options for providing wood for reconstruction in Aceh Province

FAO has identified the following options for addressing the wood demand for reconstruction in Aceh:

- use legally sourced wood from production forests in Aceh
- tap alternative legal sources of local wood, such as from trees outside forests
- maximize the volume of wood that can be salvaged
- use legally sourced wood from elsewhere in Indonesia
- use alternative construction materials to reduce the total demand for wood.
- import wood products from overseas, either purchased or as in-kind donations

Short-term strategy recommended by FAO to address Aceh's wood needs for reconstruction

FAO recommends that the following options be pursued on the short-term:

- Using legally produced wood from IPK production forests in Aceh, in particular wood with specific attributes for specialized uses needed in small volumes, e.g., to reconstruct the fishing fleet.
- Using alternative sources of local wood, including from public forests, plantation crops (e.g. rubber and coconut) and trees outside forests.
- Salvaging wood from the tsunami-affected areas. Depending on the economical feasibility, the volume obtained from salvaging may be relatively small, and recovered wood may not be suitable for sawmilling, but may be used as fuelwood for household use and for brick-making.
- Re-directing from the export market to Aceh wood products (mainly plywood but also some lumber) from legal sources elsewhere in Indonesia.
- Importing wood products, mainly lumber, from outside Indonesia. This has the greatest potential to provide large quantities of construction wood relatively quickly and with greater assurance that the sources are from well managed forests. Since there is a concern with regard to durability of wood products from overseas, preservative treatment will be needed and care must be taken for proper use as building components.

FAO recommends against the following actions in the short-term:

- Lifting the logging ban in natural forests in Aceh. FAO advises that the logging ban remain in force until sound forest management plans and effective monitoring and control systems are in place.

- Attempting to significantly increase wood production from HTI and IPK lands for construction. FAO advises against this until sound forest management plans and effective monitoring and control systems are in place.

Long-term solution recommended by FAO:

- Develop and implement a comprehensive integrated forest management plan for Aceh that addresses the issue of illegal logging and provides incentives for sustainable forest management. It would include a plan for sustainable production and utilization of wood from Aceh.

Support by FAO

FAO is ready to assist Indonesia in implementing the short-term strategy and in developing a long-term solution for sustainable forest management in Aceh province. FAO's view is that action should be taken immediately to address both the short-term and long-term needs. Strengthening the capacity of government forest institutions, as well as private forest companies as appropriate, should be a priority activity from the outset.