

# Activity Report National Workshop

Preliminaries of TLAS Implementation for  
Community Forest in Java

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ITTO TFL PD 010/09 Rev. 1 (M)

“Strengthening the Capacity of Related Stakeholders in Java on Implementing New Indonesian TLAS”

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“ Strengthening the Capacity of Related Stakeholders in Java on Implementing New Indonesian TLAS”

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# Foreword

## Why should TLAS?

Timber Legality Assurance System is needed in Indonesia because it can promote legal timber through the implementation of legal standards on consumers, suppliers and manufacturers of the country. In addition to law enforcement and governance of the forest to wood products sector through increased private role to implement policies related to the supply of legal timber. Legal systems also has been a trend in the international trade in timber which requires proof of legality, as well as a commitment to combating illegal logging and trade through the SFM and welfare.

Regarding to TLAS implementation in the community forest, TLAS is intended to respect the rights of local communities such as the right of the state for the payment of taxes and others.

Through cooperation with ITTO project TFL PD 010/09 Rev.1 (M), is expected to help the government especially the Ministry of Forestry in doing this TLAS information dissemination to the public, especially community forest owners and managers to understand the whole system used for the assessment of the wood legality. Initial activities have been carried out in the form of socialization in three provinces (West Java, Central Java and East Java) on the new regulations issued by the Ministry of Forestry, namely P. 38/Menhut-II/2009 on Standards and Guidelines Assessment of Processing and Production Forest Timber Legality Verification Permit Holder or the Community Private Forest and its implementation through the DG of Forest Utilization Regulation No. P.06/VI-Set/2009, then will continue with other activities such as intensive mentoring and training services.

Workshop activities undertaken by the project is intended to convey the development activities have been carried out and discuss the problems encountered in order to support the readiness of TLAS implementation in respective work.

Meanwhile, the goal is to build and shared understanding of the parties and the readiness of owners of Forestry and wood processing industry in the TLAS implementation.

In addition, more specifically, this workshop is expected to provide an understanding of the whole system to be used for assessment of SFM and or LV-LK. TLAS main goal is not to gain price, but to build better forest governance.

Then by knowing the appraisal system is used, each stakeholder may prepare a strategy for dealing with SFM or LVLK performance assessment. Up to where the readiness of the community forest management. It takes time and a long process.

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# List of Abbreviations

|            |  |
|------------|--|
| BIKPHH     | : Bina luran Kehutanan dan Peredaran Hasil Hutan / <i>Directorat Forest Product Levy and Distribution</i>        |
| BPS PS     | : Bina Perhutanan Sosial, Ditjen Perhutanan Sosial / <i>Directorat Social Forestry</i>                           |
| BPDAS PS   | : Bina Pengelolaan Daerah Aliran Sungai, Ditjen Perhutanan Sosial / <i>Directorat Watershed Management</i>       |
| BPPHH      | : Bina Pengolahan dan Pemasaran Hasil Hutan / <i>Directorat Forest Product Processing and Marketing</i>          |
| BP2HP      | : Balai Pemantauan Pemanfaatan Hutan Produksi / <i>Center of Monitoring and Utilization of Production Forest</i> |
| HKm        | : Hutan kemasyarakatan / <i>Community Forest</i>   |
| HT         | : hutan tanaman / <i>Plantation Forest</i>   |
| HTR        | : hutan tanaman rakyat / <i>Community plantation forest</i>  |
| KR         | : kayu rakyat / <i>Wood from Community Forest</i>  |
| IUI        | : Ijin usaha industry / <i>Industrial license</i>  |
| IUPHHK     | : Ijin usaha pemanfaatan hasil hutan kayu / <i>permission for utilization of forest wood</i>                     |
| IUIPHHK    | : Ijin Usaha Industri Primer Hasil Hutan Kayu / <i>Primary Wood Industry Licence</i>                             |
| ITTO       | : International Tropical Timber Organization   |
| LSM /NGO   | : Lembaga swadaya masyarakat / <i>non government organization</i>  |
| LV-LK      | : lembaga verifikasi legalitas kayu / <i>timber legality verification agencies</i>                               |
| PUHH       | : penatausahaan hasil hutan / <i>Management of Forest</i>  |
| Pusdiklat  | : Pusat pendidikan dan pelatihan kehutanan / <i>Forestry education and training center</i>                       |
| Pusdal     | : Pusat Pengendalian Pembangunan Kehutanan   |
| Pustanling | : Pusat Standardisasi dan Lingkungan Kehutanan   |
| PHBML      | : Pengelolaan Hutan Berbasis Masyarakat Lestari / <i>Sustainable Community Base Forest Management</i>            |
| SKAU       | : surat keterangan asal usul / <i>certificate of origin</i>  |
| SKSKB      | : surat keterangan sahnya kayu bulat / <i>certificate validity logs</i>  |
| SVLK/TLVS  | : Sistem Verifikasi Legalitas Kayu / <i>Timber Legality Verification System</i>                                  |
| TLAS       | : <i>Timber Legality Assurance System</i>  |
| VLK        | : Verifikasi Legalitas Kayu / <i>Timber Legality Verification</i>  |

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# Chapter 1. Introduction

## A. Background

In order to increase the national development rate particularly in forestry sector, the government has taken some strategical steps to push up the forest products, especially timber from sustainable forest production management and legal forest products marketing. These strategical efforts are expected to push ahead the investment growth, accelerated development of natural production forests and forest plantations, control of forest degradation which has implications for national economic growth.

For that matters the Forestry Minister rule Num. 38/Menhut-II/2009 regarding the Standard and Performance Appraisal Guidelines for Sustainable Production Forestry Processing and Verification of Timber Permit Holders Legality or on Rights Forest and directorate-general rules NO. P.06/VI-Set/2009 regarding Standards and Guidelines for Sustainable Forest Management Performance Assessment and Verification of Wood, has set the standard criteria and indicators for assessment of Primary Industrial Bussiness of Forest Products License (IUIPHHK) and advance Industrial Bussiness License (IUI) in the assessment process, and Timber Legality Verification System (SVLK) derived from State Forests, State Forests managed by the Society, and of Rights Forest.

In order to encourage readiness assessment and The Legality Verification System (VLK) for the Rights Forest holders (in this case the Public Forest), highly necessary needed dissemination of the information concerning VLK regulations for their wood products and to officials at the local level relating to the issuance of the legality of timber documents. Similarly, the timber industry user community needs to be given information concerning VLK policy. So that all stakeholders understand and realize every timber that is distributed outside the permit area must have a valid document.

## B. Purpose and Objectives

The purpose of convening of this workshop is to provide information widely to the parties concerned in support of SVLK implementation readiness in their respective work environment. Meanwhile, the objective is to build an understanding and common perception of the parties and the readiness of the community forest owners and wood processing public industry in the SVLK implementation.



## Chapter 2. Organizer

### A. Organizer

The workshop is organized by the Secretary of Directorate General of Forestry Enterprises and ITTO TFL PD 010/09 Rev. 1 (M) project.

### B. Implementation Basics

Basic convening of this activity are:

1. Minister of Forestry Regulation Number : P.38/Menhut-II/2009 concerning Standards and Guidelines for Performance Assessment of Sustainable Production Forestry Processing and Verification of Timber Permit holder Legality or the Rights Forest.
2. Regulation of the Director General of Forestry Business Number: P.06/VI-Set/2009 concerning Standards and Guidelines for Sustainable Forest Management Performance Assessment and Verification of Wood has set the standard criteria and indicators for assessment and Primary Industrial Business of Forest Products License (IUIPHHK) and advance Industrial Business License (IUI) in the process of assessment and verification of Timber Legality (VLK) .
3. Regulation of the Director General of Forestry Business Number: P.2/BPPHH-VI/2010 on Guidelines for Performance Assessment Management of Production Forest and Wood Legality Verification.
4. Project Agreement ITTO TFL PD 010/09 REV.1 (M) : Strengthening the Capacity of Related Stakeholders in Java on Implementing New Indonesian TLAS.

### C. Workshop Agenda

| TIME             | EVENT                        | MATERIALS                                   | RESOURCE PERSON AND FACILITATOR                               |
|------------------|------------------------------|---|---|
| 08.00 –<br>08.30 | Participants<br>registration | -   | Committee   |
| 08.30 –<br>09.00 | Coffee Break                 | -   | Committee   |
| 09.00 –<br>09.15 | Activity report              | ITTO TFL-PD 010/09<br>REV.1 Project         | Project Coordinator   |
| 09.15 –<br>09.45 | Key Note<br>Speech and       | Development of Legal<br>Timber Trade in the | Resource person : Director<br>General of Forestry Business of |

| TIME          | EVENT                               | MATERIALS   | RESOURCE PERSON AND FACILITATOR   |
|---------------|-------------------------------------|---|---|
|               | Workshop Opening                    | domestic market and world markets   | the Forestry Ministry   |
| 09.45 – 10.30 | Exposure and Discussion Session I   | VLK Policy Development on Forest in general and towards the public timber   | Resource Person: Director of Distribution of The Forest Products<br>Moderator: Taufiq Alimi   |
| 10.30 – 12.00 | Exposure and Discussion Session II  | Identification of the Parties (Stakeholders) In the SVLK application on the public forest   | Resource Person: ITTO Project Consultant (Cecep Saepulloh)<br>Discussant: Diah Raharjo<br>Moderator: Taufiq Alimi                             |
| 12.00 - 13.00 | ISHOMA                              | -   | Committee   |
| 13.00 – 14.30 | Exposure and Discussion Session III | The scope (Institutional) in the Application of Timber Legality Verification  | Resource Person: Dr. Ir. San Afri Awang<br>Discussant : Bambang (DKN)<br>Moderador : Taufik Alimi   |
| 14.30 – 14.15 | Coffee Break                        | -   | Committee   |
| 14.15 – 15.45 | Exposure and Discussion Session IV  | Initiation of the Public Forest Working Group Formation and Determination of the Mentoring Pilot Location for The SVLK Application in the Public Forest | Resource Person : Farmers group from Ciamis, Bora, Lumajang<br>Moderator : Taufik Alimi<br>Facilitator : PMU Project ITTO TFL-PD 010/09 REV.1 |
| 15.45 – 16.00 | Workshop Closing                    | -   | Director General of Forestry Business of the Forestry Ministry or the representative  |

#### D. Resource Persons and Facilitator

Guest speakers in this workshop consist of speakers, discussants, and a moderator. The speakers task is to convey the material, the discussants are assigned to make a review of the material

presented by the speakers, while as moderator on duty is to set each speaker session, directing the discussion and submit the conclusion of the presentation and discussion. Speakers, discussants and moderator are as follows:

| <b>Num</b> | <b>Nama</b>               | <b>Institution/Position</b>  | <b>Description</b>             | <b>Paper Title</b>  |
|------------|---------------------------|--|--------------------------------|---|
| 1          | Ir. R. Iman Santoso, M.Sc | Director General of Forestry Business, Ministry of Forestry                | Key Note Speech                | Greetings and Direction regarding the opening of the workshop   |
| 2          | Johni Gunawan             | Director of Circulation and Forestry Contributions                         | Speaker, Representing Director | Timber Legality Verification Mechanism Through Administration of Forest Products                      |
| 3          | Ir. Cecep Saepulloh       | ITTO TFL PD 010/09 Rev. 1 (M) Project Consultant                           | Speaker                        | Review and Evaluation of Related Parties Involved In the Implementation                               |
| 4          | Diah Y. Raharjo           | Multi stakeholders Forest Programme (MFP II)                               | Discussant                     | Paper Discussing the Identification of the Parties in the implementation of the SVLK on Public Forest |
| 5          | Dr. Ir, San Afri Awang    | Special Staff of the Forestry Minister of the Community Empowerment Sector | Speaker                        | Institutional Public's Forest Development and Implementation of SVLK                                  |
| 6          | Bambang                   | National Forestry Board  | Discussant                     | -   |

|   |                  |   |           |   |
|---|------------------|---|-----------|---|
| 7 | Drs. E.S Permana | Chairman of the Public Timber Enterprises Association– Ciamis | Speaker   | Implementation of Wood Legality Verification System (SVLK) in Ciamis Regency and the issues |
| 8 | Soewadji         | Public Timber farmers - Bora                                  | Speaker   | Bora Towards a public Forest Certification PHBML and VLK                                    |
| 9 | Ir. Taufiq Alimi | NGO   | Moderator | -   |

## Chapter 3. Workshop Implementation

Workshop was held on February 21, 2011 at Hotel Santika Premiere, Jalan Aipda KS Tubun. 7, Slipi Jakarta (*Appendix 1. Workshop Invitation*)

The workshop implementation went well and smoothly in accordance with a predetermined agenda. Participants who attended the event were 64 persons (*Appendix 2. Conference Attendance List*) derived from:

- Forestry Ministry scope (BIKPHH, Pusdal, BUK, BPS BP DAS PS, BPPHH, Pustanling)
- BP2HP Region VII
- Provincial forestry department (West Java, Central Java and East Java)
- District forestry department (Blora, Ciamis, Gunung Kidul)
- Public timber users industries (East Java, DI Yogyakarta, Central Java, West Java)
- Non-governmental organizations (Persepsi, ARUPA, TELAPAK, KANOPI, SHOREA, KEHATI, MFP)
- Farmers group (Blora, Wonosari, Ciamis, Banjar Negara)
- University researchers (IPB)
- Associations (APKINDO, ISWA, BRIK)
- LVLK

Workshop began with a report by the Coordinator of Activities ITTO Project PD 010/09 Rev.1-TfL (*Appendix 3. ITTO TFL-PD 010/09 REV.1 Project Coordinator Report*), which then continued with the greeting and Direction of the Director General of Forestry Business of the Forestry Ministry and as well as opened officially (*Appendix 4. Direction and closing from Director General of the Forestry Business*).

After officially opened, the proceeding of the workshop is divided into several sessions led by the Moderator. Each speaker delivered his paper, which was then reviewed and discussed by a discussant. After the presentation and discussion, then followed by a discussion of frequently asked questions and input for the improvement from all participants (*Appendix 5. Minutes on the Workshop*)

The summary results of the discussion and input from the discussant and participants of the workshop are as follows:

|                  |  |
|------------------|--|
| <p>Session I</p> | <p>Timber Legality Verification Mechanism Through Administration of Forest Paper<br/>(<i>appendix 6</i>)</p> <p>Speaker : Johni Gunawan, Moderator : Taufik Alimi</p> <p><b>Important Point in this paper:</b></p> <ul style="list-style-type: none"> <li>• Regulations related to timber Legality System</li> <li>• Provisions on Administration of Forest System, which in principle is the "Timber Tracking System" in Regulation of the Minister of Forestry Decree . P.55/MENHUT-II/2006 and the regulatory amendments, the Administration of Forest who Originating State Forest.</li> <li>• The mechanism for forest products management is a control system and can be used as tracking tool (<i>timber tracking</i>).</li> <li>• The scope of the verification activities of this forest is administrative and physical, including the mechanism of the document examination authenticity, document consistency and physical validity in each node starting from upstream to downstream until the state rights achieves its fulfillment</li> <li>• Legality Verification Process</li> <li>• Transport Documents required</li> <li>• Critical point in the timber transportation process and its tracing system</li> <li>• Timber Legality Verification Guidelines (traceability)</li> <li>• Major mode on forest products circulation administration</li> <li>• Examination on the KB and KO of The Wood Hoarding (TPK) and Warehouse in Primary Industrial Business License</li> <li>• Examination on The Wood Hoarding (TPK) in Advanced Industrial Business License</li> <li>• Examination on Business License in Integrated Industry</li> <li>• Examination on forest products originating from the rightsforest r / public land.</li> </ul> <hr/> <p><b>Important Point and input from the discussant, Resource Persons and Participants:</b></p> <ul style="list-style-type: none"> <li>• Need for SVLK socialization in community/public forests outside Java</li> <li>• There is a need to do a clear gap analysis between the VLK standard on rights forest / public forest with real field conditions</li> <li>• The form of the timber legality documents (SKAU, SKSKB - KR), the legality of</li> </ul> |
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|            | <p>land ownership document (Letter C, Letter Girik)</p> <ul style="list-style-type: none"> <li>• Requirements for Verification in the public forest should be simplified and easily applicable.</li> <li>• Issue on the authority of publishing the timber legality of the public forest document (Forest Department or the Head of Village)</li> <li>• Whether or not to permit logging in the Public Forest</li> <li>• Enabling PSDH / DR on public forest wood Outside Java</li> </ul>   |
| Session II | <p>Review and Evaluation of Related Parties Involved In Implementation Paper (<i>appendix 7</i>)</p> <p>Speaker : Cecep Saepulloh, Discussant : Diah Y Raharjo, Moderator : Taufik Alimi</p> <p><b>Important Point in this paper:</b></p> <ul style="list-style-type: none"> <li>• The identification of those stakeholders involved in the SVLK implementation of raw material resources of public timber (rights forest or the HTR)</li> <li>• SVLK socialization workshop in 3 provinces (Central Java, East Java and West Java) and discussion of the public timber problems in the SVLK implementation</li> <li>• The identification result of the stakeholders' role in SVLK</li> <li>• The identification result of the public timber circulation</li> <li>• The potential of public timber in Java island</li> <li>• The development of public timber's consumption in Java island</li> <li>• The contribution of the public timber in Java island</li> <li>• The identification of the problems regarding the SVLK implementation towards the public forest</li> </ul> <p><b>Some input from the discussant:</b></p> <ul style="list-style-type: none"> <li>• Percentage of the availability of land ownership basic documents is measured as a data base (land potential data HR)</li> <li>• Identify the Evidence of Land Ownership</li> <li>• Capacity mapping for Farmer Education degree and their knowledge about the SVLK</li> <li>• Preview of the farmers preparedness level, wholesalers and industry in the SVLK implementation</li> <li>• Need to map the trade system based on geographic scale and region</li> <li>• Identify the constraints in the SVLK implementation</li> <li>• Commercial timber supply from wholesalers to the industry (supply scale, routing, tracking the wood supply)</li> </ul> |

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|                    | <ul style="list-style-type: none"> <li>• Identify the potential local government obstacles in relation to TUK</li> <li>• Identify institutional and government institution</li> <li>• The study by consultants as a base for preparing the Gap Analysis which will be done.</li> </ul>   |
|                    | <p><b>Important Point and input from the discussant, Resource Persons and Participants:</b></p> <ul style="list-style-type: none"> <li>• Graduation rates if public do not have proof of land ownership from the BPM</li> <li>• Funding for the Public Forest SVLK certificates (how to manage the cost of certification is quite expensive)</li> <li>• The scope of the rights forest area which are VLK certified need further clarification (by the village, or other wider areas administrative) →efficiency and effectiveness of the VLK process</li> <li>• The smallest unit of community forests preservation is Village (Dusun)</li> <li>• Recognition of VLK certificate in the international markets (through promotion by the MFP and VLegal)</li> <li>• Policies must provide incentives for public so they are still excited to plant and maintain trees in the rights forest</li> <li>• Mapping the capacity and readiness level of the wood collectors are significant in the distribution of public timber</li> <li>• Enforcement of SVLK on FMU that has been CBFM certified (will be in place until the CBFM certificate of discharged)</li> <li>• Mapping of public timber trade system in the field and the issues related</li> <li>• The European Union will impose inspections on products that go there, so with SVLK it is expected to meet the inspection to be performed.</li> <li>• East Java government policy, every district who has public forest must facilitate one SFM forest.</li> <li>• Identify problems in public timber users (industry) level of people in the use of it</li> <li>• Identify problems with the Government as regulator / regulator circulation public wood (SKSHH procurement, distribution monitoring and SKSHH usage)</li> </ul> |
| <p>Session III</p> | <p>The scope (Institutional) in the Application of Timber Legality Verification Paper (<i>Appendix 8</i>)</p> <p>Speaker : Dr. Ir, San Afri Awang , Discussant : Bambang , Moderator : Taufik Alimi</p> <p><b>Important Point in this paper:</b></p> <ul style="list-style-type: none"> <li>• Management of the public forests is done by society as an individual on private</li> </ul>   |



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|  | <p>land. Public forests are scattered or not clustered (not compact)</p> <ul style="list-style-type: none"> <li>• The economics of forest management is seen as farming business for public who are still subsistence farmers</li> <li>• The concept of sustainability developed by the community, namely the obligation of replanting after logging.</li> <li>• The rate of tree growth can be met on the intensity of logging on <i>the basis of needs system</i> with the cycle of illegal logging that has been done, 15-20 years for teak trees</li> <li>• Institutional Sustainable public Forest Management Unit in where the formation of institutions is formed through the natural cultural aspects</li> <li>• An important institutional variable must be considered in an organizational institution</li> <li>• Some matters relating to the management of community forests in Java and Madura forests which are not clustered (not compact), harvesting is done on <i>the basis of needs system</i>, a professional organization has not yet formed, the main purpose of forest management has not been fully formulated to produce timber and non timber to supply the timber industry, timber for industry needs are met from other areas. Community forest management institutions rely heavily on family farm, the public forest in Java island covers approximately 2,5 juta ha (approach to land use Planology), and public forest timber potential on the Java and Madura islands</li> <li>• The concept of sustainability in the Public's Sustainable Forest Management Unit</li> <li>• Structuring the forest in the Public's Sustainable Forest Management Unit</li> <li>• Public Forest Management Unit and the activities</li> <li>• Public forest management activities that should be done in wood production operations include; regeneration, culture and protection, harvesting, processing and marketing and operational efficiency.</li> <li>• Basic information that has been held relating to the UMHRL</li> <li>• Designing the Public Forest Management Unit Design through the individual management systems organization (family) to become an organized management (Communal) without negating the individual interests for forest resources</li> <li>• Working mechanism which must be passed in order to set public forest sustainability</li> <li>• SVLK Public Forest area is associated with the calculation of the public forest</li> </ul> |
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|  | <p>preservation, which combine from individual land forest of the farm families</p> <p><b>Some input from the discussant:</b></p> <ul style="list-style-type: none"> <li>• SVLK Institutional scheme consists of Appraisal Institute, Institute of Monitoring and KAN</li> <li>• Flow process for appointing agencies to Issuance of Certificate Assessors SFM / LK</li> <li>• The role and problems in each institution</li> <li>• Public's Chronology of Timber Circulation and legal documents</li> <li>• Issues surrounding the village, SKAU and Transport Documents <ul style="list-style-type: none"> <li>- - Socialization is not running</li> <li>- There is no special institution</li> <li>- No Clear SOP (Standard Operational Procedures)</li> <li>- No incentive to the Village</li> <li>- The charge is unregulated</li> <li>- The head of the village does not check the origin of timber cut</li> <li>- The head of the village does not take measurements when the timber would be transported</li> <li>- No sanction</li> <li>- Only allocate liability</li> <li>- For farmers do not increase the selling price</li> <li>- The woods are originated from cross-Wood Village</li> <li>- Inflicting high cost</li> <li>- Use of Sawmil DO</li> </ul> </li> </ul> <p><b>Important Point and input from the discussant, Resource Persons and Participants:</b></p> <ul style="list-style-type: none"> <li>• Must develop concepts and ideas about the preservation of wood products for industrial supply continuously, the preservation of occupations in public forests, ecological sustainability, and institutional community forests which guarantee the sustainable management of community forests</li> <li>• Cooperatives (Koperasi) can be used as institutional entities for community forest enterprises in the villages for the SVLK</li> <li>• Regulations concerning the public timber circulation do not need to be further regulated by the government (SKAU, SKSKB-KR)</li> <li>• There is a special directorate who manage community forests (becomes the</li> </ul> |
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|                       |  |
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|                       | <p>government public relation officer)</p> <ul style="list-style-type: none"> <li>• There is discrimination of the public timber document (SKAU, SKSKB-KR, the Memorandum), it is proposed simply to note just because it was owned by individuals</li> <li>• There must be clear benefits of SVLK for farmers/ community (forest rights), on one hand there is the forest products transport inspection by Police / authorities (with different perspectives) with cost consequences</li> <li>• In Appendix 3, P02/2010, HKM / HTR is equated with a big company, it was said that the requirement is equated with concessions such as EIA (AMDAL), etc. must exist.</li> <li>• It should be initiated for a public timber information system (dissemination and mapping, timber production, etc..)</li> <li>• Government to be not involved too much in the regulation of trade system or the circulation timber trades public (difficult people)</li> <li>• There is an interesting example in Purwakarta, where the government there and the staff had agreed to not implement many rules in the circulation of people within its territory wood, Regents approve and all ranks in the district one word, for there is no rule of the public timber nothing</li> <li>• Central Government, Provincial Government, District Government are obligated to develop the forest rights through institutional development</li> <li>• What is important in that community forests are tracking system. SVLK was actually only track, the most important is institutional in the village should be addressed</li> <li>• Still need to touch policies that must be granted by the Government for the public to be rising timber prices</li> <li>• Cost of issuance of the wood document is rather expensive</li> </ul> |
| <p>Session<br/>IV</p> | <p>Exposition by the Public Forest Farmers, Moderator : Taufik Alimi</p> <p>Implementation of Wood Legality Verification System (SVLK) in Kab. Ciamis and the issues Paper (<i>Appendix 9</i>)</p> <p><b>Important Point in this paper:</b></p> <ul style="list-style-type: none"> <li>• Administrative Region of Ciamis district and the public timber potential</li> <li>• Public timber production in Ciamis district in 2008</li> <li>• The type of public timber bussiness</li> <li>• The movement of wood from the rights forest</li> </ul>  |

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|  | <ul style="list-style-type: none"> <li>• Government Policy on SVLK and Ciamis local government policy in 2005</li> <li>• Implementation of the Public Forest SVLK in the Ciamis district.</li> <li>• Barriers in the implementation of the Public Forest SVLK in the Ciamis district.</li> <li>• Hambatan dalam penerapan SVLK di Hutan Rakyat Kab. Ciamis</li> </ul> <p>Blora Towards a public Forest Certification PHBML and VLK Paper by Soewadji<br/>(Appendix 10)</p> <p><b>Important point in the paper :</b></p> <ul style="list-style-type: none"> <li>• Village information and Public Forest farmer groups in the Plantungan Village Blora District</li> <li>• Map of land cover in Blora district</li> <li>• History of the Public Forest in Blora district</li> <li>• The area of the Public Forest in Blora district and the characteristics</li> <li>• Public timber trades mechanisms in Blora district.</li> <li>• The public timber permit process in Blora district.</li> <li>• The problem encountered by farmers and expectations of the public timber</li> </ul> <hr/> <p><b>Important Point and input from the discussant, Resource Persons and Participants:</b></p> <ul style="list-style-type: none"> <li>• The proposal to provide incentives to farmers who have applied SFM (SFM / VLK), so that farmers do not have to wait years waiting for a premium price</li> <li>• Certification of SFM / PHBML differ SVLK certification, in which SVLK is not because of the premium price but because of the timber products trade guarantee</li> <li>• Certificates Legality is an early stage to attain sustainability (SFM)</li> <li>• Determining the location for the SVLK, trial implementation is extremely urgent and this trial is only for 1 year only, given needs to be replicated in other places as soon as possible</li> <li>• There should be improvement in guaranteeing the sustainability of community forest management through the concept of forming UMHRL (sustainable forest management units)</li> <li>• Support if Blora is followed up due to the certification stage.</li> <li>• The proposal for the training was held under the standing crop cultivation techniques in order to optimize crop land under stands</li> <li>• The selling price of green wood is very cheap (due to human-needs cutting)</li> <li>• Mechanisms need to overcome cutting example in Probolinggo, community forests are managed by cooperatives, and cooperative bail out and not sold to middlemen.</li> </ul> |
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|  | <ul style="list-style-type: none"> <li>• Farmers do not know the quality, volume and price of timber sold</li> <li>• No availability of archival documents on the legality of timber by the farmers because of the handling was performed by buyers themselves</li> <li>• The problem faced by the public Forest to implement SVLK include: Regurasi of Local Government, Institutional, human resources, Land Ownership Documents, Financing Certification, Support from the local government</li> <li>• The SVLK socialization needs to be done until local/regional level</li> <li>• Regulation on the public wood circulation should be commuted</li> <li>• Monitoring timber is difficult to execute since the village chief, is the one who published it, meanwhile there is no obligation for the village chief to report the public timber production to the Forestry Department</li> </ul> |
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The workshop was closed officially by the representatives of the Ministry of Forestry and the subsequent outcome of the workshop is going to be discussed in the scope of Ministry of Forestry as the material to prepare the action plan relating to the planned regulations revision in the area of legality of timber. A followed-up meeting discussing the results of a national workshop took place on Wednesday, March 23, 2011, led by the Director of Marketing of Forest Products Processing *(Appendix 11. Meeting Invitation exposure results of the National Workshop on February 21, 2011 and Follow-up Plan)*

Some of the points discussed in the meeting are as follows:

- Directorate of Forestry and Forest Products Distribution is facilitating the revision of the Rules of timber Procedure in the rights forest. In the process of regulatory revision there has been done several times discussion, and has received advice and input from the district forestry office. Some proposals need to be considered in the revision of Regulation No. P. 51 among others are :
  - a. SKAU issuing authority (Village Head, can also be delegated to other village officials) and in forest areas that have changed the function to be issued by the the Forestry Service
  - b. Timber legality documents arrangements are based on public forest typology
  - c. Document for legality of Public Forest timber (SKAU, SKSKB stamp KR, Minutes) and how to deal with the legality of timber from the Public Forest Land Rights and stands on land that was on the ground considered "crooked" ..
  - d. Administrative regulations between the wood from the public forest in Java and public forest outside of Java and are necessary to be distinguished (this needs to be consulted with the legal expert)

- e. Cutting Permit shall not be applied on public's wood
  - f. There is a need to set up for wood recycling (recycle) which are widely used by the wood processing industries.
- 
- Government Regulation on Forest Certification of Timber Legality for public (*P 06 Appendix 5*) needs to be revised and. Some things to consider among others are :
    - a. Institution issuing the legality of the land tenure status in the Public Forest, whether required by The National Land Board (BPN)
    - b. Letter C or Girik Letter and proof of land lease is a legal proof of ownership
    - c. The scope and Public forest extension to be certified by the VLK
    - d. Financing mechanisms at the Public Forest VLK Certification
    - e. The necessity for strengthening the village institutional to become the VLK Institution
  - Pilot Project on Forest public SVLK application through ITTO Project PD 010/09 Rev. TfL. 1 (M) should be area-based public forest (Village/ county).

## Chapter 4. Documentation of the Workshop



## Chapter 5. Supporting Data (Appendix)

Documents or data that are available during the implementation of the workshop ranging from the preparation phase until discussion stage:

| <b>Appendix No.</b> | <b>Description</b>  |
|---------------------|---|
| 1                   | Workshop Invitation   |
| 2                   | Conference Attendance List  |
| 3                   | ITTO TFL-PD 010/09 REV.1 Project Coordinator Report   |
| 4                   | Direction and closing from Director General of the Forestry Business  |
| 5                   | Minutes on the Workshop   |
| 6                   | Wood Legality Verification Mechanism Through Administration of Forest Paper   |
| 7                   | Review and Evaluation of Related Parties Involved In Implementation Paper   |
| 8                   | Public forest Institutional Development Paper and Discussion Paper  |
| 9                   | Implementation of Wood Legality Verification System (SVLK) in Ciamis Regency and the issues Paper by Drs. E.S Permana                         |
| 10                  | Blora Towards a public Forest Certification PHBML and VLK by Soewadji   |
| 11                  | Meeting Invitation exposure results of the National Workshop on February 21, 2011 and Follow-up Plan  |
| 12                  | Presentation Materials Discussion on the National Workshop Results regarding the SVLK Implementation Issues on Rights Forests / public forest |



**NATIONAL WORKSHOP MINUTES**  
**IMPLEMENTATION ISSUES on Timber Legality Verification System (SVLK)**  
**ON RIGHTS FOREST / PUBLICFOREST**

- Participant Registration began at 08:00 AM
- The event began at 09.00 AM
- Report from ITTO project coordinator Tfl PD 010/09 Rev. 1 (M)
- Speech and direction from Director General of Forestry Business
- Presentation by the Speaker and discussant
- Discussion and Q & A

Note points of discussion:

1. **Hary Budi** (input)

SVLK as outlined in p.38 is the result of joint decisions. Understanding that rights forest is a narrow land owned by the public, so that it has different forms of legality. The key of the legal document is a document that accompanies the timber legality such as Certificate of Origin (SKAU), Certificate of legitimate Logs – Public timber (SKSKB - KR), the concept of tracking to test the legality of forest rights differ from state forests, it should be simpler . As examples, which institutions can guarantee the document land ownership, is it BPN (National Land Board)?

2 . **Mukmin Pustanling**

- The problem today is the SVLK socialization in the forest outside of Java.
- The authority issuing the timber legality document
- Linkages with the public forest preservation as well as in whether it is verified
- Is there any logging permits and Wood Collection Place (TPK) licenses
- Is the of public forests subjected Forest Resource Provision / Reforestation Funds (PSDH / DR)

Answer:

- Government should be more active in the Public Forest socialization outside of Java,
- Permit License exist only in Sulawesi, which is given based on the extent of which occur where a permit could slash up to 25 Hectares (Ha)
- PSDH / DR will still be applied, in the revision of community forests will be separated between natural forests and public forest

2. **Yeyep** (West Java Forestry Department)

- Agree, public forests do not need to use any requirements, if any plants in the new state forest therefore requirements are needed.
- Wood from the rights forests where are located in Java so who's given the legality of its wood, is it the wood industry?
- Arrangements for public forests verification should be much lighter, do not need to be verified in the BPN (National Land Board).
- The function of Head of the Village as the publisher of SKSKB is very hard to follow, for example, the village chief difficulty of making the report. It should be done by the Forest Service alone.

Answer:

- Terms of verification in the forest will be simplified in the draft regulations being drafted
- For blank forms printing, will be done in the forest service district, provincial Forestry will manage its control.

**Conclusions from the Moderator:**

- Head of the Village as the SKAU publisher needs to be reviewed.
- Letters, Girik Letter can be used as evidence
- Verification done on the origin of wood, and then verify in the industry
- SVLK simplification at the Public Forest.

**Mr Cecep Session**

**Discussant : Diah Rahardjo**

**Moderator : TA**

Moderator summary:

- Whether Letter C / Girik documents called legal documents or not
- which circulation pattern is the most
- Map in the public forests are hard to find
- Expensive prices in the industry, but industry still want to buy

Moderator resume:

- How high of the legality level the market demands
- How expensive a buyer willing to buy a product

Discussion :

**1. Harsono from PERSEPSI**

- What if people do not have proof of land ownership from the BPN whether they pass or not, and whether the timber is legal
- The cost to obtain a timber legality (LK) certificate, by whom
- The scope of the Public Forest certification

Moderator answered:

- SVLK actually helps orderly administration
- SVLK will assess Legal Compliance, if there are not fulfilled, it does not pass
- Benefits for the community, legal timber promotion
- The cost for certification of timber legality verification in the public forest/ rights is still a dilemma because if the land owners who must pay for it, they will feel burdened

Diah answered:

- The identification of stakeholders from the consultant should be able to describe the readiness of farmers in SVLK

## **2. Ririn (IPB- Bogor Agriculture Institute)**

- How to prepare SVLK to be recognized by the international market
- For the furniture industry market to recognize FSC

Moderator answered:

- In the market condition, the FSC is still required in the international market
- SVLK as one tool to ensure the legality of timber

Diah answered:

- V-legal coming out of Indonesia should use the regulations issued by the government
- MFP has conducted several promotional activities abroad related to SVLK

## **3. Dodi (East Java Local Government)**

- There are 5 (five) districts that have passed CBFM with LEI scheme (Forest Management Unit (FMU))
- From the certification results, at this time 5 (five) districts haven't got *premium price*
- For the FMU who have passed CBFM, SVLK is not necessary anymore
- The proposal to provide guidance in local government
- Suggestions: an increase in the price and if it cannot be met then the government needs to create a circulation that the industry in East Java have to buy CBFM certified wood
- A training for FAKO publishers has been done in a small *sawmill*

Moderator answered:

For the FMU who have passed CBFM, SVLK is not needed to be done.

Diah answered :

- Government should not promise a premium price
- Incentives are in the form of loss of other costs in terms of issuing documents

## **4. Sunaryo (Central Java Forestry Department)**

- There are 4 (four) people Forest that have been certified
- There are 3 (three) more FMU ready to be certified

- Certification in the form of a farmer group
- Pattern needed to be added of land tenants as *stakeholders*
- In P.51 revision it is needed to enter the role of wood gatherer
- Small-scale industries need to be nurtured, to be created a Wood Processing Industry (CPI) mechanism, a small make veneer (as a small industry), while the Large Industry as an advanced industrial
- There is no price premium for certified wood

Answers : secretary of the directorate general of Forestry Business Board (BUK)

- Recognition of the CBFM certification until the validity period finished, then new SVLK is required
- Policies to buy certified wood, in stages with priority control of timber legality
- The condition of FMU readiness in applying SVLK needs to be translated by a consultant
- Revised P.51 is done immediately and can be applied, but with high standards and criteria as a guarantee of legality of timber
- The government will require that certified products for industry
- In 2013, the EU will impose inspections on products that go there, so with SVLK it is expected to meet the inspection to be performed.

## **Institutional Development of Public Forest Material**

**Resource person : Sanafri awang**

**Discussant : Bambang**

Discussion :

### **1. Haris**

Professor states that prior to the SVLK implementation need for institutional restructuring and improvement of existing forestry policy.

Professor actually somewhat in doubt about the existence of the Constitution 45 years of article 33.

How the institutional system based on kinship when compared with the Constitution Article 33.

Built with sustainable forest-based, how might the forest can be sustainable if it is built on the individual base.

What if the institutional basis is the village?

So far, we use the villages' terminology within and outside the forest. More precisely, if the forest is said in villages, so that the smallest unit is a part of the village forest village, which later formed the scale that can establish institutions for example cooperatives that exist in one village; 2 villages or hierarchy higher.

For Mr. Bambang: Is there a price increase in the presence of this SVLK. We assess that the village government does not receive revenue from the state? Can SKAU apply?

### **2. Agus Arupa.**

Request for opinions to Pak Awang on P.06 for Community Forest, which requires the EIA, etc., as compared with large-scale forest. Why SKSKB Mahogany use KR stamp? The state forest damage is charge to the public forest.

The need for forest products is not only out of necessity.

The typology is that besides Native people there are also immigrants, meaning that the conditions have been varied.

Government should be thanked by the people, on the other side of the people prosecuted for planting but also required to certify.

### **3. Permana Ciamis**

Agree that the management unit that was developed later at the village level, as seen from the aspect of the forest is still possible for well-managed and of aspects of the population, it is still homogeneous.

Departing from Mr Awang opinion, the forest is a rights forest that depart from the necessity-based thought, it turns out the rights forest development is because mostly of the economic value, in the past when the price was still low that forests did not grow right, but when prices were high then the rights forest timber traffic system developed. Think of it, at the time managed by the management unit, while the society need to cut timber, but there are logging limitations in the village, how to cope with the needs of the community who need the money which actually came from there. How is the concept?

From the forestry minister regulation, why there is discrimination on SKAU, SKSKB stamp KR wood etc. Why do not make them equal?

### **4. Yosep (Blora District Forestry Department)**

What good does SVLK do for the community, especially the farmers themselves when with the results of verification confronted in the event of problems with police, whether the wood is legally guaranteed, when the police have a different opinion.

When public timber apply SVLK, the timber which not verified will be stamped. When the police do not mind anymore when the timber declared legal. Each timber people could not bear criminal articles.

Public timber should just let go, need not to be regulated, the state do not have any domain, if there's memorandum notes use anything, do not distinguish SKAU, SKSKB stamp KR. Because if there are problems, they are always questionable. As long as the origin is obvious.

After the people wood certified, what's in it for farmers who come all the way from the village. Blora regency gets 5-6 billion per year from PSDH funds. It turned out that the funds be used PSDH other development such as hospitals, roads. Actually it's no problem, but should be inserted for reforestation activities, forestry and conservation, etc.

### **5. Ririn**

Often times, the procedures are made complicated. Do not let any of the people affected because of the bureaucracy. There needed to be integrated information technology such as mapping problem, and how many trees have been cut so that well-monitored, wherever there is timber tracking for wood. So that by issuing the certification it can be easily detected along with its legality security.

### **6. Awang.**

Number of teak from the forest more than that grown by Perhutani (Indonesia Forestry Company). The Government does not believe in the people. There is still a colonial remnant in our governmental system. Thus no SKSKB stamp KR letter to public forests.

If you want to ecological function to function, there must be improvement of forest management activities

Responding to Mr Permana, public forests develop because of the structural market. The first time sengon arose, came from Sukabumi because of the need for palette production in Sukabumi, and then developed into the middle of Java and so forth. Structural market arose because people cannot rely on wood from state forests.

There is an interesting example from Purwakarta, demand does not want much set in terms of timber trade system, but there commitment agreed by the parties. But this commitment only applies to the district alone, out there is a violation.

SVLK is a timber tracking, because there are only 2 points in the requirements that must be agreed at the village level.

Public Forest certification, seemed to breed so that all follow because of the promise is a premium price. But in reality there is no premium price. In Japan there is a package of government ranging from the industry get to where cutting place.

## **7. Bambang (National Forestry Department)**

Is it true that issues affecting the country had reached the village level.

## **8. Awang**

Lately a lot of public forests are managed, why? There is no rule for them to be sustainable so feared with many rules, they become not sustainable instead. Such as state forests, many of the rules are not even sustainable.

As the existence of SKAU issued by the village chief to declare that the wood is legal. Public Forests are something that have small scale but similar to other companies, only the institutional nature of its individual action into collective action.

Wood that is harvested from a collection of ownership or collective action. Where there are rules for logging inside the group thus it will not be over-cutting. Today many public forest are already over cutting because of the service for buyers.

One interesting point that commercialization can be a threat to sustainability. SVLK as an instrument of legality, markets etc. Forests are not required solely as a commodity wood but there are elements of ecological and social. If too much commercialization happen, then they will be destroyed

## **9. Haris**

*For Mr Awang :*

It seems that professor is a little hesitant with the statement of family-based institutions. The mandate of the 45 Constitution article 33 paragraph 3 of Indonesia's economic system is a Populist. How about in developing family-based community forests institution is associated with Article 33 of the Constitution 45. My opinion about the forest politics is that, regarding the SFM-based forest development, how forests can be sustainable if they are based on individual institutional. Forests should be an area that can be managed sustainably with the village as its sustainability management unit. Institutional I propose is that, forest farmers are persons who changed into farmer groups with a membership group comprised of 15 to 20 people, two to

three groups of farmers into farmer groups combined, the combined group was later joined to become farmer public forests cooperative. If all this time the forestry use the terminology of villages inside and outside the forest area. I think it will be more precise if the forest is located in the village so the forest becomes the part of the village. Thus the smallest unit for sustainability is village forest. Cooperatives could be located in one village, two villages, three villages or a district and so on. Thus form a scale of sustainable forest business. So the application of the SVLK is contained in this institution. Currently we have not mapped the forest cooperatives. It's a big task for the forestry ministry, whether there will be a special directorate which regulates public forest cooperative that will work with cross-cutting because of the mandate of the Constitution regarding cooperatives.

*For Mr Bambang:*

Since this morning there was always talk whether there is price increase with the existence of this SVLK. Currently, the benefit from the public forest has not been enjoyed by the village government, because there is no state income, there is a lot of blank form printed but no revenue comes from public forests. There is no revenue of public forests for the village. There should be a shared understanding, whether SKAU is still need to be applied. It needs more discussion because it is essentially necessary in the simplification and considers the benefit value. In the perspective of forestry development control, after all we must seek for the people to not be burdened and for the government as well, still it does not disturb circulation of the forest products.

## **10. Agus Arupa**

I want to ask Mr Awang opinions about P.6 pack attachment 3 of the Public Forest (HKm), by this standard in Appendix 3 HKm is equated with big companies someone says that the requirement is equated with Forest Exertion Rights (HPH), such as EIA and others must exist. Why not use teak and mahogany SKAU but SKSKB stamped KR. Some opinions say that the state forest damage is chargeable to the public forest, and if there are teak or mahogany trees circulate, they are suspected coming from the state forest, then the idea of SKSKB stamped KR emerged.

Building a management unit is not only in formal contexts, one cluster of villages, from villages, sub districts or districts. Each of the groups is different, there are rich or poor. There are poor farmers who have only 0.25 hectares of land which they cut based on their necessities. There are also people who have land in a village but he is actually inhabitant of other village. Management unit should not be built based on the formal context of the region, but based on the diversity of existing society. It must be considered also about the diversity of society, economic status, and the status of immigrants or others.

It is a dilemmatic situation, on one hand the people have planted teak, mahogany and others, the government should be grateful, but on the other hand there are requirements that the public forests must remain sustainable and there are arrangements such as cutting etiquette and there is also consideration for inclusion of the public forests into RTRW institution. A lot of criticism about the establishment of forest area in Java which was established by the government, on the other hand the public forest which was planted by the people themselves and then, it is to be set as the public forest people and included in the master plan, it is a thing that cause dilemma.

**Implementation of Wood Legality Verification System (SVLK) in Ciamis Regency Paper by Permana  
Blora Towards Public Forest Certification PHBML and VLK by Soewadji**

Asking for Mr Awang opinions:

1. Agreeing that the management unit being developed is at village level, since consider from the forest aspects, it is still possible for forest to be well-managed and viewed from the aspect of its citizens who are still homogeneous. But depart from what Mr Awang's thoughts, the right forest harvesting systems came from thinking necessities basis.
2. It turned out that the rights forest development is caused mostly because of the economic value, when the wood was at low price, the forest did not grow right, when the price went up rights forest was growing, meaning that the orientation of rights forest was the economic value or added value. To come to think about it, when the management units are managed while people over there need to cut timber but had said about the possibility of a limitation on the amount of timber cut. How to address the public needs for money which actually comes from the wood itself, how is the concept, do not let any thought of increasingly difficulties to sell their own timber especially in urgent situations, how to create a good concept.
3. In Forestry Ministry Regulation number 51, 62 and 33, why there is discrimination regarding the timber documents, there is a SKAU, SKSKB stamped KR, some even use the Memorandum, what are the causes? Why don't just use the equated memo? Because if it had been declared private / personal property then the owner will be given freedom of what to be done with it. Why don't just do self-assessment? Please give opinion on this.

#### **Yosep, Blora Regency Forestry Departement**

1. What are the benefits of SVLK for the society especially farming communities, when the results of verification are faced with problems with the police, whether the wood verified is legally guaranteed, when encountered the police who have different opinion. Do not let the verification makes unverified wood becomes illegal, even though at that moment the police are no longer question the legality of timber if they come from the public, would it be a *side back*. Do not let the now ordered condition where every public timber of the public forest cannot be subject to criminal section, where Law 41 is not entered there, then that is not true SVLK though it comes from public forests is said to be illegal and criminal re-exposed again to the Law 41.
2. As what had said by the person comes from Ciamis, that the timber should just be let go, need not to be regulated, states do not have a domain so that is fine if one wants to use memorandum or not. The drawback is that there are people who always face the problem from the investigators. For the public timber, should not have arrangement for the transportation so that the problem is cleared. The bottom line is the origin of the wood must be clear.
3. It was questioned since the beginning that after the public timber is certified, whether it gives benefits for the people or not, if there are no advantages so what is the point of taking a long way to Jakarta today only to discuss it. The proposal to the department, we have the funds for forests in Blora, from which the user can set to give a premium to farmers, because at this time that the funds is used to for roads, hospitals etc. The proposal to provide incentives for farmers who are already implementing sustainable forest, so that farmers do not have to wait years to wait for a premium price.
4. Strongly agree with the SVLK which have been discussed by the speakers, but if its application on the system, the procedure is identical with the bureaucracy, as happened in Indonesia, often happens is complicated bureaucracy, it is feared that if it happens the impact of bureaucracy is the deflection of the people. Do not let the people who have good intentions become a victim.



5. How about the need for information technology to be integrated, so Mr Awang's idea about mapping, the percentage of trees have been cut down from every unit can be monitored properly and the timber tracking can be done wherever the timber is located, the amount of harvested timber could be tracked and monitored also. So the issue of certification can be seen from the integrated data.

*Mr Awang answer :*

1. For Mr. Harris, in the end of the picture, it is cooperative indeed; if we talk directly without any institutional cooperative then there is no meaning to these. The base village envisaged is the base calculate the preservation, if the village base were taken while in one village there are 9 more hamlets, we cannot imagine how the setting would result.
2. If we can group, effectively with 1-25 people in a hamlet, therefore my study in 4 districts leads to the hamlet, not like the mandate that local law which is tinggat village. But the meaning of public forest management unit that is the village, associated with the village institution but the block base is the hamlet. Hamlet of one, two and three become Gapoktan (Forest farmers Group). Cooperatives as the end of all, are to see people and to sign agreements in economic activity, I think the public forest is based on the definition of non-monocultures there is also a heterogeneous, agro forestry system which not only focus to the wood but also have ecological functions. To get the source of income in a waiting logging period, there are other ideas of public forests vary culture with cardamom, harvest once every 2 months with an income of 18 million per month for 1 hectare, if carried out intensively. There are also other ways to improve land use, such as under the stands to be planted with *empon-empon* plants, the most important is the previous existence of its market, and therefore always look for new markets before growing.
3. The weakness of the HKm concept is that SVLK cannot be applied there, why not? In appendix 3, why HKm is equated with large-scale forest it should be not, perhaps because the procedure to get it just like to get such a large forest concessions, so his mind was still referencing of HPH. There are not many HKm in production forests, HKm now number in the protected forest, I do not know why this phenomenon occurs at this time. My advice, because now is no improvement, community forest should not be confused with large forests, because the spirit of Public Forest Management Unit in the end is as the same as if the structure HKm, therefore they are adequate, the difference is that only because the commodities are in the ground state.
4. Why is teak and mahogany are still using stamps SKSKB KR, from the first SKAU document is a colonial relic, colonial legacy thinking, first because the power of soil and wood colonial relic, I can honestly say that because the government has not believed the same people because a lot of data on illegal logging everywhere. Therefore there is a legal principle that the government built for valid, invalid if not need any stamp SKSKB KR. How to make the government believe. How to build trust, the number of teak trees in Java, owned by the people who owned more than Perhutani (Indonesia Forestry Company), whereas the numbers that figured in 1995. Now Perhutani have planted various types of plants. Public Forest 2.5 million ha in Java and Madura while only 920 hectares of teak forest, so teak planted more compared to Perhutani, we must have valid data on teak ownership so that government trust can increase.
5. Public forests belong to individual although individuals in it there is actually social or public functions. But the forest is only a function of the individual. When it comes to forests it also

talks about ecology, in many places, such as public forest in Wonogiri where there are long lined of spring come, so public forest have ecological functions also, therefore, if it's ecological, it requires to play within groups rather than individuals. If you see an area that often floods, it's because there is already a lot of open space, forest land has been turned into a carpet of corn. Public Forest simply do not go into spatial function there must be dialogue first to decide.

Mr. Permana, public forests are truly developing because of structural market, first sengon plants emerged due to booming demand in Sukabumi for sengon timber to supply wood pallets in Tangerang. Structural market arose because of timber from state forests had been difficult.

There is an interesting example in Purwakarta, where the government there and the staff had agreed to not implement many rules in the circulation of public wood within its territory, regents approved and all ranks in the district have agreed, that for public wood there will be no rules. It's just that when people come out of district timber from the area already is affected by the rules that exist in other areas, because other areas do not have the same rules.

What is important in that community forests is the timber tracking. SVLK is actually only the tracking, the most important thing is institutional in the village must be addressed. Public forests certification is the same as breeding, everyone is interested to come along, with the promise of a premium price, with experience in 3 villages that have been certified only get 10%. If you want value-added industries, you have to get a package with forest. It's like in Japan, where people have direct forest industry to get the package with a significant added value.

Examples to provide added value that is set when bulking or wood cutting, do not sell in a state of standing timber, we should be able to create a more useful bulking. What markets demand, and to follow the market measurement. The price definitely rises. While vendors have not followed a certified dealer then if a district certified its entire public forest, the regents should ensure that there could be a buyer there is a certified industry because they understand the price. Therefore, still need to touch policies that must be given by him for people to raise timber price.

I could not agree more with the data base for information technology, to access a certified wood. There are obligations that certified to show on the web network that people can access for the certified timber.

### **Bambang.**

Is it true that the state has cleared the issue which regulates public forests. At the provincial departments to create / publish a SKAU cost up to 25 thousand, down to the village you can imagine how much should be paid.

### **Moderator conclusion:**

#### **Taufik**

The afternoon session has moved past the boundaries of the essence of SVLK, SVLK given to guarantee the timber legality. When viewed in the institutions perfective in the village, forest growth and political map, has expanded positively.

SFM certification / PHBML is different with SVLK certification, which SVLK established not because of the premium price but because it has guarantee to sell. But the market

guarantees to accept, at least as well if there is no SVLK only used for own purposes. But if the PHBML certification its original intention is to raise the added value of public forests. The maximum price that's only 10% could be given, there is nothing more than that, an example of pulp and paper certified LEI can only cut the discount in case of rejection of the quality of the product. Consumers should be informed that buying unsustainable same as buying products that destroy the earth. Therefore there should be education for that purpose.

Industry should also be educated, not only Java Furni alone that buy only certified wood so there must be other industries. That's what causes the difficulty of my friends sell certified wood. Legality is an early stage to achieve sustainability.

### **Lasmini**

The role of governments to support sustainable forest development

### **Sunaryo**

Support if in Blora followed up to the certification stage. The provincial Department proposes to provide facilitation but because of the efficiency the support is given in other forms. Please to optimize the plant under the plant stands by conducting training under the stands. To overcome the cutting based on necessities, there are examples in Probolinggo, public forests are managed by cooperatives, and cooperatives bail out and do not sell to middlemen. Cooperatives filed BLU assistance, and it may be accommodated

### **Hartono/Persepsi.**

1. Want to convey about the validity of proprietary rights. We assist some farmers to Ecolabel certification. If there is talk about the ownership, there is not even 1% of farmers who have legal ownership of certificates issued by the BPN, many of them are the Letter A and C or other land certificate which maybe has no difference between the name there with the owner of the land now. If SVLK requires legality of land ownership certificate such as BPN, with that kind of condition will farmers pass the SVLK?
2. Like a blade SVLK depends on the market, associated with SFM, examples farmers habits like those in Wonogiri, which applied is cutting based on necessities, timber cutting if money is needed. How large is the consequence that would apply if the timber should not felled because it was the farmers in needs.
3. What are the advantages of SVLK for the farmers.
4. Last there was mapped data about existing constraints of SVLK in society, one thing is important in addition to absence of data that is, who will bear the costs of certification, because the area is very small.

### **Ririen Wulandari (DMB IPB Student)**

1. My dissertation is about the preparation of marketing strategy for Ecolabel-certified furniture. SVLK benefits to redeem the market. What I know, international furniture market only recognizes FSC certification, how to prepare for trustworthy SVLK in the International market.
2. As we all know SVLK will lead to the furniture industry, would there be a problem because the market just trust the FSC while it should be SVLK certified.

### **Dodi Arief Sarwono (East Java Forestry Department)**

In East Java until now has been the forest certification facilitation for 25 management units, in 2010 there were 19 management units and in 2011 there are 6 management units, of the 19 units already in the facilitation of management there were 5 units PHBML management which have already graduated. As Director General SVLK directed towards SFM, which also PHBML. 5 units among which Wanalestari Lumajang management, sustainable Gate in Bangkalan, the base in the Probolinggo Makmur,

In SVLK, at the beginning PHBML never listen to the intensive or premium price, but in fact the premium price is not obtained with the SVLK. In East Java government policy, each district who has public forests must facilitate 1 (one) of sustainable forest. Incidentally one of its assessor also been recognized as an accredited SVLK institution, namely Mutuagung Lestari. Of the 9060 ha then we hope that already get SFM then get SVLK too.

Of the 14 management units, they have been facilitated for a year but there are some who are in the process, proposals are encouraged to SVLK public forest who have not passed the SFM. Our recommendations are based on expectations, the increase in price at least according to his expectations of FMU, but if you do not get, because the first promise 10-15%, if there is no premium price from the forestry ministry, please encourage the purchase of wood that has been passed. We encourage the forestry ministry to encourage companies in East Java to buy certified timber. Indeed, the answer is a market mechanism that will determine the selling price of timber. That is the difficulty, there should be a circular from the Ministry of forestry in order to encourage the purchase of certified timber.

We expect the recognition of the Ministry of Forestry for forests still in SVLK process so that there is benefit in the form of a letter from SVLK for the people. Sawmill small entrepreneurs in East Java province have delegated authority, when under 2000 m<sup>3</sup> has been delegated to the District. The entire district flocked to SKAU giving courses to the entrepreneurs. The district government has been providing services P2T (integrated permitting) a maximum of 2 days is over, even 15 minutes can be completed. In East Java there is control of the decree issuance. Thus, for under 2000 m<sup>3</sup> capacity the head of the village in the region has been able to publish SKAU.

### **Sunaryo (Central Java)**

Central Java already has 4 units public forests that have been certified, namely Wonogiri, Sukorharjo, Sragen and Kebumen, wait 3 more units that are ready in the certification. Approximately how will SVLK be created? From previous experience, SVLK made by farmer groups, not per sub-district or a district but are made by groups of farmers, so the unit is spacious.

There are 6 (six) owners of the land, from landowners to the exporter, if SVLK is done per farmer groups, the stakeholders it is farmer groups. Java is a phenomenon in which the system is the tenant of land or production share the contract, if there is such a system then increases its stakeholders.

Please immediately accelerate revision P.51, as it will encourage the process SVLK. In P.51 there is no role in wood collectors. Why did it happen, but cannot be avoided any collectors in the wood supply. In the revised P.51, the role of collectors should also appear. IPK (Land Exploitation Permit) of small and large, were delivered by a moderator, owner decides what to do with the IPK. Owners of small GPA tend to be common people, so should be mechanism which given small portions to create a veneer, so that its primary industry in the IPK its veneer sold to small and large employers before then is exported, this must be stipulated in the revised P. 51, for small industrial conglomerates do not just live

alone. Flow from farmers to the Small IPK, collectors, major new export industry. It will only make a big businessman richer.

There are 3 (three) purposes of the SVLK, namely market penetration, oxygen mitigation and a premium price still could not be achieved. Certification is no use if no awards., these constraints exist in East Java.

## Answers

- Cecep

From some more pen toward the policy, Mr Bambang will answer. True, that there are such things about ownership. Government through SVLK encourage orderly administration, auditors must be assisted by a checklist or verifiers that have been defined, SVLK adapted full compliance if one does not pass then the others does not graduate. This task companion how his client could orderly administration. Benefits of certification that is essentially to promote and prove that the timber is sold from the Indonesian Legal, and to prevent the negative image.

SVLK is designed not for premium price, an increase in the price it is a business deal to business, depending the negotiation. The cost of the land certificate is unavailable, the government does not finance the land titling process, not necessarily the BPN certificate for any other ownership and clearly demarcated on the ground that is acceptable.

For Ms Ririn

Currently the FSC indeed masters the furniture market, SVLK just to prove legality. It's a higher level than SVLK FSC. LEI is parallel to the FSC. Evidence that the wood purchased is legal. There is no premium price.

To Mr Sunaryo and Mr Dodi presenting more progress in SFM certification in East Java and Central Java. Later ask the ministry of forestry certification if there is a policy that automatically gets SVLK PHBML. In higher PHBML regulation. In SVLK there will be a green label. It should have PHBML no longer need SVLK certification. Tenants of land status are not the owner of land, when certified it remains to be asked who the owner of the land. They are only as contractors in SVLK. Owners still listed in the letter. In relation to the plant, it is another thing, remains to be seen is the ownership of land. In the proposed changes P.51 proposed that collectors included in the supply chain, it becomes an input to the ministry of forestry.

- Diah

To Mr Hartono, to do with cost SVLK that process, the identification of consultants comrades want to map the real condition of farmers in Java in preparing SVLK overall. This will be the input for the Ministry of Forestry and institutions such as ITTO to consider the possibility of subsidy assistance for the implementation of forest rights SVLK. Because without a clear justification is difficult to provide assistance or subsidies. Therefore what has been done consulting ITTO friends are very good for basic in providing justification.

For Ms Ririn, the latest development is good enough because of our government not only forestry, trade, and industrial foreign ministry, continue to push in relation to the legality of wood, V-legal only one that had to use the V-legally issued by the Indonesian government , this is a great position that the existing legal instruments already recognized that certification is not the only one. The product is called Indo Class, It's a pretty good process in the last 2 years.

Certification is no longer a business industry which is confusing, but we have identity at the time of production issue that could ensure that the exit is legal. That is why SVLK not merely a checklist but there is a big chore that is capacity building where light does not work. We are also currently pushing for the establishment of the Independent Monitoring to improve its ability. This is a big chore, and not easy to set up an Independent Monitoring. The hard work of my friends to set up this NGO.

Mr Dodi, never promised to certification of the existing SVLK premium price, it is wrong. Because SVLK goal is not to raise the price but it is to improve the efficiency of corporate management, and improve the chain through the wrong process, and eliminating the costs incurred by invalid, illegal process costs are high, SVLK issued not only for the perpetrators of forestry, but also outside the forest, because that's where exit costs are very large, with the indelible SVLK expected costs that are not legal. Which will reduce costs and reduce the substantial illegal practices, because in the absence of illegal fees would reduce the costs that are not counted, so as to reduce production costs, there is where the profit margin is huge.

Some industries that have been invited to a discussion issue for their excellent performance, so that competition in the consumer becomes its own incentive in the industry. That is a record never promised SVLK with premium price.

- Mr Bambang

For recognition, the rule is mandatory, for the transition is still recognized but not automatic, because the agency still has not been accredited by KAN, until his voluntary expired and will be replaced by SVLK.

Trade freely and fairly liberal enough cannot be arranged, these systems aim to bring order, direction so that supply and demand become more equitable. This is a process, to perform a good process does take sacrifice and it took a long time. Examples opposed teacher certification, how children are educated without a certified teacher.

Similarly, for certification SVLK, was only focused on natural forests, but in fact folk wood is also a good and promising business. Consultants should be able to map, which is ready and who have not.

It should be (it is the ends of Governance) how to have good governance, because the timber trade system should be good, because the edges are environmental problems. This will be a chain. The result cannot be shown now but it should start from now. It takes commitment from our friends to apply it in the field and in government.

For example to build government buildings must be certified timber. Starting from there should start, in my directorate already requires that all buildings constructed must be certified, as well as in other departments are encouraged that, at a certain moment all our products certified. Same thing done in Japan, that will make a premium price, because demand for certified timber. We change the values or customs that say that cheap wood. Now you've started to like sengon expensive.

Expensive costs can be overcome by bundling rollicking, 5 (five) put together a group of community forest areas into one. What is important to convince the consumers those legal wood, regulatory issues that make us, if there is problem afterwards can be revised as an important. You must think P.51 orderly section that will connect. And can be applied, why make laws that cannot be applied, the rules must be integrated, monitored, and the core can be implemented by the community. Now is the height first, because the government is not

trusted, if he considered making a low standard scam, trust in government is all exported timber products is illegal. Why should there is a low standard. Policy issues should be consistent, we must maintain the credibility of our wood products, because we are limited but cheap wood, wood should be limited but high prices. Now people have started to look around in buying goods, it is better to buy good stuff and expensive than a cheap but ugly. Wood products we do not have rivals but no one respects. Therefore, we should start calling.

Problems must be consistent preparation can prepare for future policy could change. To my friends in East Java cannot automatically force the industry, at best, which obliges the government, will not buy if not certified.

When compared with the FSC is not the context for this issue of trust, in 2013 European governments will examine Diligent due to all timber products that enter must be legal. So do not automatically able to get a premium price. Keep optimistic, because this is the foundation to make our products more advanced, this is our product and we must strive to increase the value of our products.

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