

## THE IMPORT AND USE OF EQUIPMENT FOR ACTIVITIES OF BUSINESS LICENSE TO UTILIZE FOREST OR LICENSE TO UTILIZE TIMBER

(Regulation of the Minister of Finance No. P.53/Menhut-II/2009 dated August 18, 2009)

BY GRACE OF GOD THE ALMIGHTY  
THE MINISTER OF FORESTRY OF  
THE REPUBLIC OF INDONESIA,

Considering:

- a. that Article 28 paragraph (2) and Article 29 of Law Number 41 Year 1999 on Forestry rule that production forests are utilized through the granting of business license to individuals, cooperatives, BUMSI, BUMN, or BUMD;
- b. that Article 50 paragraph (3) letter 1 of Law Number 41 Year 1999 on Forestry rules that everybody is prohibited from carrying heavy equipment or other equipment commonly or allegedly used for carrying forest products inside forest areas without permit from the authorized official;
- c. that Article 50 paragraph (3) letter k of Law Number 41 Year 1999 on Forestry stipulates that everybody is prohibited from carrying equipment commonly used for felling, cutting or cleaving trees inside forest areas without permit from the authorized official;
- d. that Article 71 paragraph (1) letter b of Government Regulation Number 6 Year 2007 jo. Government Regulation Number 3 Year 2008 rules that every holder of business license to utilize forest is obliged to undertake concrete activity in the field and based on the elucidation on the

article, the concrete activity means an activity of supplying mechanical equipment minimally 50% (fifty percent) of the total units of equipment which is stipulated into work area as well as building facilities and infrastructure for holders of IUPHHK;

- e. that the issuance of business license to utilize forest as meant in point a is inseparable from the granting of equipment license to the holders of business license to utilize forest as meant in points b, c and d;
- f. that in relations thereto, it is necessary to stipulate a regulation of the Minister of Forestry on the Import and Use of Equipment for Activities of Business License to Utilize Forest or Business License to Utilize Timber.

In view of:

1. Law Number 5 Year 1990 on Conservation of Biological Resources and Ecosystem Thereof (Statute Book of the Republic of Indonesia Year 1990 Number 49; Supplement to Statute Book of the Republic of Indonesia Number 3419);
2. Law Number 41 Year 1999 (*BN No. 6412 pages 1A-6A and so on*) on Forestry (Statute Book of the Republic of Indonesia Year 1999 Number 167, Supplement to Statute Book of the Republic of Indonesia Number 3888) as already amended by Law Number 19 Year 2004 (*BN No. 7143 pages 26A-29A*) on Stipulation of Government Regulation In Lieu of Law Number 1 Year

- 2004 on the Amendment to Law Number 41 Year 1999 on Forestry to become a Law (Statute Book of the Republic of Indonesia Year 2004 Number 86, Supplement to Statute Book of the Republic of Indonesia Number 4412);
3. Law Number 23 Year 1997 (*BN No. 6092 pages 19A-21A and so on*) on Environmental Management (Statute Book of the Republic of Indonesia Year 2007 Number 68; Supplement to Statute Book of the Republic of Indonesia Number 3699);
  4. Law Number 41 Year 1999 (*BN No. 6412 pages 1A-6A and so on*) on Forestry (Statute Book of the Republic of Indonesia Year 1999 Number 167, Supplement to Statute Book of the Republic of Indonesia Number 3888) as already amended by Law Number 19 Year 2004 concerning Stipulation of Government Regulation In Lieu of Law Number 1 Year 2004 on the Amendment to Law Number 41 Year 1999 on Forestry to Become A Law (Statute Book of the Republic of Indonesia Year 2004 Number 86, Supplement to Statute Book of the Republic of Indonesia Number 4412);
  5. Law Number 32 Year 2004 (*BN No. 7183 pages 1A-11A and so on*) on Regional Administration (Statute Book of the Republic of Indonesia Year 2004 Number 125, Supplement to Statute Book of the Republic of Indonesia Number 4437) as already amended several times and the latest by Law Number 12 Year 2008 (*BN No. 7676 pages 26A-32A and so on*) regarding the Second Amendment to Law Number 32 Year 2004 on Regional Administration (Statute Book of the Republic of Indonesia Year 2008 Number 59, Supplement to Statute Book of the Republic of Indonesia Number 4844);
  6. Law Number 26 Year 2007 (*BN No. 7599 pages 10A-30A and so on*) on Layout (Statute Book of the Republic of Indonesia Year 2007 Number 68, Supplement to Statute Book of the Republic of Indonesia Number 4725);
  7. Government Regulation Number 27 Year 1999 (*BN No. 6442 pages 10A-12A and so on*) on Environmental Impact Analysis (Statute Book of the Republic of Indonesia Year 1999 Number 59, Supplement to Statute Book of the Republic of Indonesia Number 3838);
  8. Government Regulation Number 35 Year 2002 (*BN No. 6838 pages 2A-10A*) on Reforestation Funds (Statute Book of the Republic of Indonesia Year 2002 Number 67, Supplement to Statute Book of the Republic of Indonesia Number 4207) as already amended by Government Regulation Number 58 Year 2007 (Statute Book of the Republic of Indonesia Year 2007 Number 131, Supplement to Statute Book of the Republic of Indonesia Number 4776);
  9. Government Regulation Number 44 Year 2004 on Forest Planning (Statute Book of the Republic of Indonesia Year 2007 Number 146, Supplement to Statute Book of the Republic of Indonesia Number 4452);
  10. Government Regulation Number 45 Year 2004 on Forest Protection (Statute Book of the Republic of Indonesia Year 2004 Number 147, Supplement to Statute Book of the Republic of Indonesia Number 4453);
  11. Government Regulation Number 6 Year 2007 (*BN No. 7529 pages 1A-21A and so on*) on Forest Arrangement and Formulation of Plan for Forest Management as well as Forest Exploitation (Statute Book of the Republic of Indonesia Year 2007

- Number 22, Supplement to Statute Book of the Republic of Indonesia Number 4696) as already amended by Government Regulation Number 3 Year 2008 (Statute Book of the Republic of Indonesia Year 2008 Number 16, Supplement to Statute Book of the Republic of Indonesia Number 4814);
12. Presidential Decree Number 187/M Year 2004 (*BN No. 7128 pages 30A-31A*) on the Establishment of United Indonesia Cabinet as already amended several times the latest by Presidential Decree Number 31/P Year 2007;
  13. Presidential Regulation Number 9 Year 2005 (*BN No. 7184 pages 2A-23A*) on Status, Tasks, Functions, Organizational Structures and Working Mechanisms of State Ministries of the Republic of Indonesia as already amended several times and the latest by Presidential Regulation Number 20 Year 2008;
  14. Presidential Regulation Number 10 Year 2005 on First-echelon Organizational Units and Tasks of State Ministries of the Republic of Indonesia as already amended several times and the latest by Presidential Regulation Number 50 Year 2008;
  15. Regulation of the Minister of Forestry Number P.13/Menhut-II/2005 on Organization and Working Arrangement of the Ministry of Forestry as already amended the latest by Regulation of the Minister of Forestry Number P.64/Menhut-II/2008 (State Gazette of the Republic of Indonesia Year 2008 Number 80);
  16. Regulation of the Minister of Forestry Number P.6/Menhut-II/2007 jo. Regulation of the Minister of Forestry Number P.40/Menhut-II/2007 on Work Plan and Annual Work Plan for Timber Forest-Product Utilization Business Inside Natural Forest and Restoration of Ecosystem in Production Forest;
  17. Regulation of the Minister of Forestry Number P.39/Menhut-II/2008 on Procedures for Imposing Sanction on Holders of Business License to Utilize Forest (State Gazette of the Republic of Indonesia Year 2008 Number 14);
  18. Regulation of the Minister of Forestry Number P.58/Menhut-II/2008 on Competence and Certification of Technical Officers of Long-lasting Production Forest Management (State Gazette of the Republic of Indonesia Year 2008 Number 52);
  19. Regulation of the Minister of Forestry Number P.61/Menhut-II/2008) on Provisions and Procedures for Issuing Business License to Utilize Timber Forest Products Resulting from Restoration of Ecosystem Inside Natural Forest in Production Forest Through Application (State Gazette of the Republic of Indonesia Year 2008 Number 68);
  20. Regulation of the Minister of Forestry Number P.62/Menhut-II/2008 on Work Plan for the Utilization of Timber Forest Product of Industrial Timber Estate and Smallholder Forest (State Gazette of the Republic of Indonesia Year 2008 Number 74);

**D E C I D E S :**

To stipulate:

**THE REGULATION OF THE MINISTER OF FORESTRY ON THE IMPORT AND USE OF EQUIPMENT FOR ACTIVITIES OF BUSINESS LICENSE TO UTILIZE FOREST OR LICENSE TO UTILIZE TIMBER**

## CHAPTER I

## GENERAL

## Article 1

Referred to in this regulation as:

1. **Business License to Utilize Forest (IUPH)** shall be a license issued by the authorized official, consisting of business license to utilize area, business license to utilize environmental service, business license to utilize timber and/or non-timber forest products and license to collect timber and/or non-timber forest products in forest areas already stipulated.
2. **License to Utilize Timber (IPK)** shall be a license to utilize timber and/or non-timber forest products in areas of converted production forests, use areas of production forests or protected forests with the status of leasehold, exchange and other utilization areas (APL) already securing license to utilize land.
3. **Work Area** shall be an area charged with Business License to Utilize Forest (IUPH) or License to Utilize Timber (IPK).
4. **Annual Work Plan (RKT)** shall be a work plan for a period of one year, which constitutes elaboration of RKUPPHK.
5. **Work Chart** shall be a work plan effective for 12 (twelve) months at the maximum and granted to license holders not yet having the First RKUPPHK.
6. **License to Import and Use Equipment** shall be a license of equipment which will be imported and used in work area of holders of IPK or tender winners.

7. **Director General** shall be the Director General in charge of forestry production development affairs.
8. **Provincial Service** shall be service in charge of forestry affairs in a provincial territory.
9. **Tender Winner** shall be a business entity or individual having ownership right to timber forest products on the basis of legislation.

## CHAPTER II

## LICENSE OF EQUIPMENT FOR ACTIVITIES OF BUSINESS LICENSE TO UTILIZE FOREST (IUPH)

## Article 2

Business license to utilize forest (IUPH) granted to license holders shall include and apply as license to import and utilize equipment into forest areas in their work areas in the framework of executing license activities.

## Article 3

- (1) The quantity and kind of equipment to be imported into work area of IUPH as meant in Article 2 :
  - a. shall be minimally 50% of the required equipment in the framework of executing concrete activities in the field in no later than the stipulated period, after receiving decision on the issuance of license to utilize forest (IUPH);
  - b. shall be adjusted to the need in the execution of license activities written down in Work Chart or RKTUPPHK.
- (2) Procedures for calculating the need for the equipment as meant in paragraph (1) shall be

regulated further by a regulation of the Director General of Forestry Production Development.

**Article 4**

- (1) In the case of the presence of timber resulting from the felling from RKT still located in work area, while the business license to utilize forest (IUPH) already expiring, license of equipment for carrying the said timber may be issued.
- (2) The license of equipment as meant in paragraph (1) shall be issued by the Director General on behalf of the Minister of Forestry.
- (3) The license of equipment for carrying forest products which are auctioned and still located inside forest area, shall be issued by the Director General on behalf of the Minister of Forestry.

**Article 5**

In the case of the operated heavy equipment exceeding the quantity of equipment mentioned in Work Chart of RKT, the license holder shall be subject to administrative sanction in accordance with the provision in force.

**CHAPTER III**

**LICENSE OF EQUIPMENT FOR ACTIVITIES OF**

**LICENSE TO UTILIZE TIMBER (IPK)**

**AND TENDER WINNER**

**Article 6**

- (1) Holders of IPK or tender winners shall not include or apply as license to import and use equipment

in their work areas in the framework of executing activities of license.

- (2) Holders of IPK and tender winners shall be obliged to secure license of equipment, in the form of:
  - a. License to import and use equipment.
  - b. Extension of license to use equipment.
- (3) Kind of equipment obliged to secure the license as meant in paragraph (2) shall be as follows:
  - a. Tractor, grader, dump-truck, shovel, skidder, excavator, cable monoline, skyline, log-loader, logging truck, crane, locomotive, and helicopter.
  - b. Equipment used for felling, cutting or breaking tree, such as chainsaw.

**Article 7**

- (1) The license to import and use equipment, for holders of IPK and tender winners shall be issued by Head of Provincial Service in charge of forestry affairs after securing confirmation of status of area from the Directorate General of Forestry Planology.
- (2) Provision on procedures, requirements, and evaluation of application for the license to import and use equipment as meant in paragraph (1) shall be governed by governors by referring to norms, standards, procedures and criteria stipulated by the Minister.

## CHAPTER IV

## Transitional Provision

## Article 8

- (1) Business licenses to utilize forest (IUPH) issued before the stipulation of this regulation shall also apply as license to import and use equipment into forest area that constitute work area thereof.
- (2) With the enforcement of this regulation, Business License to Utilize Forest (IUPH) issued to license holders shall no longer require specific license to import and use equipment, except for the activity as meant in Article 7.

## CHAPTER V

## CONCLUSION

## Article 9

Following the enforcement of this regulation:

1. Regulation of the Minister of Forestry Number P.45/Menhut-II/2007 jo. Regulation of the Minister of Forestry Number P.2/Menhut-II/2008 and Regulation of the Minister of Forestry Number P.7/Menhut-II/2008 on Procedures for Securing License of Equipment for the Utilization of Timber and Non-Timber Forest Products in Industrial Timber Estate inside Timber Estate;
2. Regulation of the Minister of Forestry Number P.54/Menhut-II/2007 jo. Regulation of the Minister of Forestry Number P.17/Menhut-II/2008 on License of Equipment for Activities of IUPHHK

in Natural Forest or Activities of IPK or Tender Proceeds; and

3. Other provisions contravening this regulation. Shall be declared null and void.

## Article 10

This Regulation of the Minister of Forestry shall come into force as from the date of promulgation.

For public cognizance, the Regulation of the Minister of Forestry shall be promulgated by placing it State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On August 18, 2009

THE MINISTER OF FORESTRY OF THE REPUBLIC OF  
INDONESIA,

sgd.

H. M.S. KABAN

Promulgated in Jakarta

On August 19, 2009

THE MINISTER OF LAW AND HUMAN RIGHTS OF THE  
REPUBLIC OF INDONESIA,

sgd.

ANDI MATTALATTA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA

YEAR 2009 NUMBER 265

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