

Editor's Notes :

In response to requests from many readers, Decree of the Minister of Forestry No. 126/KPTS-II/2003 dated April 4, 2003 is published.

THE MANAGEMENT OF FOREST PRODUCTS

(Decree of the Minister of Forestry No. 126/KPTS-II/2003 dated April 4, 2003)

THE MINISTER OF FORESTRY,**Considering:**

- a. that Government Regulation No.34/2002, Chapter VII, Article 73 stipulates that to protect the state rights to forest products and conserve forests, the circulation and marketing of forest products should be controlled through the management of forest products;
- b. that in conjunction with the above matters, it is deemed necessary to issue a decree of the Minister of Forestry on the Management of Forest Products;

In view of:

1. Law No.5/1999 on the Conservation of Natural Resources and Ecosystem;
2. Law No. 23/1997 on the Principles of Environmental Management;
3. Law No. 22/1999 on Regional Administration;
4. Law No. 41/1999 on Forestry;
5. Government Regulation No. 25/2000 on the Authority of the Central Government and Provincial Administrations as Autonomous Regions;
6. Government Regulation No.39/2001 on the Execution of Assistance Tasks;
7. Government Regulation No. 52/2001 on the Execution of Assistance Tasks;
8. Government Regulation No. 34/2002 on the Management of Forests, and the Drawing Up of Plan for the Management of Forests, the Use of Forest and the Use of Forested Land;
9. Government Regulation No. 35/2002 on Reforestation Funds;

10. Presidential Decree No. 102/2001 on the Position, Task, Function, Organizational Structure and Work Mechanism of Ministry;

11. Presidential Decree No. 228/M/2001 on the Formation of the Mutual-Help Cabinet;

12. Decree of the Minister of Forestry No. 123/Kpt-II/2001 on the Organization and Work Mechanism of the Ministry of Forestry;

DECIDES :**To stipulate:**

DECREE OF THE MINISTER OF FORESTRY ON THE MANAGEMENT OF FOREST PRODUCTS.

**CHAPTER I
GENERAL PROVISIONS**

Article 1

Hereinafter referred to as :

1. The management of forest products means a series of activities covering the management of plans for production, logging, marking, measurement/test, transportation/circulation, hoarding, processing and reporting.
2. Forest products mean materials in the form of wood forest products (HHK) and non-wood forest products (HHBK) other than wild plants and animals.
3. State forest means forest on the land that does not require title deeds.
4. Smallholder forest means forest on the land that requires title deeds.
5. Non-wood forest products (HHBK) mean forest products other than wood, including plantation commodities collected from the state forests.

6. Wood forest product utilization permit (IUPHHK) in natural forest, previously known as forest concession right (HPH), means a permit to utilize production forest, covering a series of activities, such as logging, planting, maintenance, security, processing, and marketing of wood forest products.
7. Non-wood forest product utilization permit (IUPHHBK) in natural forest means a permit to utilize production forest, covering a series of activities, such as logging, planting, maintenance, security, processing, and marketing of non-wood forest products.
8. Wood forest product utilization permit (IUPHHK) in timber estate, previously known as forest utilization permit (HPHT) or timber estate utilization permit (HPHTI) means a permit to utilize production forest, covering a series of activities, such as land preparation, seedling, planting, maintenance, security, logging, processing and marketing of wood forest products.
9. Non wood forest product utilization permit (IUPHHBK) in timber estate means a permit to utilize production forest, covering a series of activities, such as land preparation, seedling, planting, maintenance, security, logging, processing and marketing of non wood forest products.
10. Wood forest product collection permit (IPHHK) means a permit to collect wood forest products, covering a series of activities, such as logging, transportation, processing and marketing for a certain period of time and in certain quantities in timber estate.
11. Non-wood forest product collection permit (IPHHBK) means a permit to carry out all kinds of activity to pick non wood forest products, including rattan, honey, fruits, resin, medical plants, etc. in protected forests and/or production forests.
12. Permit holders mean privately-run company (BUMS), state-owned company (BUMN), regional government-owned company (BUMD), cooperative and individual licenced to carry on business activities to utilize forest products and/or collect forest products.
13. Other legitimate permit holders (ILS) mean the special assignment to BUMN, IPK and IPHHK.
14. Wood utilization permit (IPK) means a permit to cut down and utilize wood from the specified forest or other utilization area (APL), or non forest cultivation area (KBNK) for the development of timber estate or for other non-forestry purposes.
15. Primary forest wood industry means industry that processes directly logs or wood into semi-finished goods in the form of sawn timber, wood chips, veneer, plywood/wood panel and finished goods as the continuation of semi-finished goods.
16. Primary non-forest wood industry means industry that processes non-wood forest products into semi-finished goods or finished goods.
17. Wood working industry means wood processing industry other than primary forest wood industry that processes sawn timber and plywood (raw plywood) as raw materials into door frames, doors, windows, molding, dowel, component sets and other finished goods.
18. Felling block means a certain area of forest that will be cut down within a period of 1 (one) year.
19. Felling plot means part of felling block which has a certain area and becomes the smallest utilization business unit that receives the same silvi-cultural treatment.
20. Wood collecting place (TPn) means a place to collect wood cut down from the relevant logging plot.
21. Wood hoarding place (TPK) means a place to hoard wood collected from several TPn.
22. In between wood hoarding place (Intermediary TPK) means TPK located outside the forest both in the logpond and the logyard to accommodate logs owned by IUPHHK or IPHHK or ILS or other corporate bodies.
23. Industrial wood hoarding place (industrial TPK) means a TPK located inside the industrial location in the form of logpond or logyard.

24. Accommodation place means either a closed place or open place owned by a company as a place for accommodating and distributing logs or small logs or processed wood or non wood forest products located outside the forestry industry.
25. Official in charge of validating reports on the results of felling (P2LHP) means a forestry officer that meets minimum qualifications as a forest product examiner appointed and authorized to validate reports on the results of felling, hereinafter referred to as P2LHP, and to validate reports on non-wood forest products, hereinafter referred to as P2LP-HHBK.
26. Log/sawn timber/plywood/non-wood forest product examiner (P3KB/P3KG/P3KL/P3HHBK) means a forestry officer that meets minimum qualifications as a forest product examiner appointed and authorized to check log/sawn timber/plywood/non-wood forest products received by primary forest product industry/wood working industry, TPK Antara, hoarding place, forest product auction place or general port.
27. Official in charge of issuing certificates of validating forest products (P2SKSHH) means a forestry officer (civil servant or non civil servant) that meets minimum qualifications as a forest product examiner appointed and authorized to issue SKSHH in TPK, TPK Antara, primary forest product industry, hoarding place, forest product auction place or general port.
28. Corporate body means a company that has legal status and secures a valid permit from the authorized agency and is engaged in the forestry sector.
29. Individual in the management of forest products means an individual that carries on business in the forestry sector.
30. Auction winner means an individual or corporate that has been declared as a winner of wood product or non-wood product auction in accordance with the existing law.
31. Timber cruising means the act of measuring, observing and recording trees (to be cut down), core trees, protected trees, and other field data to know the type, number, diameter, and height of trees and information on the condition of the environment in certain intensity in accordance with the specified provision.
32. Annual report on the result of cruising felling plot (LHC) means a document on the processing of data about trees based on the inventory of stands before cutting (ITSP) in the relevant plot containing the number, type, diameter, and height of branch-free trees and the estimate of wood volume.
33. Annual report on the result of cruising felling block means a document on the processing of data about trees from the annual report on the result of cruising each felling plot within an annual felling block containing the type group, diameter class, number of trees and the estimate of wood volume.
34. Checking cruising means the act of checking the result of cruising by the personnel of the regental/municipal forestry office with an intensity of 10% (ten percent).
35. Safety factor (Fp) means the multiplier of 0.8 from the mass calculation (volume) of stands used as a conservation factor.
36. Exploitation factor (Fe) means logging effectiveness with range from 0.7 to 0.9 specified based on the capacity of the holder of wood product utilization permit (IUPHHK) and other legitimate permit (ILS) to keep down the amount of waste in logging activities.
37. Report on recapitulation of LHC of felling blocks means a document on the result of processing data about trees from LHC from each felling plot in annual felling block containing type group, diameter class, number of trees and the estimate of volume validated by the regent/mayor.
38. Measurement book (BU) means daily notes of logging made in TPN, containing the number of stems, type, length and volume of logs already labeled on their physical form from the relevant annual logging block/plot, and used as a basis for filling the report on the result of logging, while KBK or mangrove is not labeled and its volume is measured in meter or ton.

39. Report on the result of log felling (LHP-KB) means a document containing the number of stems, type, length, diameter and volume of logs cut down from trees in the specified block/plot and the report is filled with data in the measurement book and made in TPK.
40. Report on the result of small log felling (LHP-KBK) means a document containing type group, the number of stems, and measurement in meter or cubic meter or weight of small logs cut down from trees under an artificial all-out felling system (THPB) and the report is filled with data based on the daily production book made in TPn.
41. Report on the result of mangrove felling (LHP-Mangrove) means a document containing the number of stems and measurement (weight/volume) of mangrove trees cut down from the specified plot/block and the report is filled with data based on the daily production book or the result of recording at the time of loading mangrove onto the transport means (barge, etc.) and made in TPn.
42. Report on the production of non-wood forest products (LP-HHBK) means a record on the result of production/collection/picking of non-wood products (HHBK) containing the type and measurement (volume/weight) of HHBK and made in the hoarding place.
43. Medium log (KBS) means part of tree that can be cut down in accordance with the existing regulation.
44. Log (KB) means part of tree felled and cut into stems with a diameter of 30 (thirty) cm or more.
45. Small log (KBK) means wood with a diameter of less than 30 (thirty) cm in the form of KBS, funnel, pillar, railway sleeper, stem residue, stump, branch, firewood, and charcoal material, and log with a diameter of 30 (thirty) cm or more reduced because more than 40% (forty percent) of the wood is defective.
46. Wood for the manufacture of chip means KB, KBK and mangrove processed into chips.
47. Processed wood means the result of processing log and/or small log and/or mangrove into sawn timber, chip/pulp, veneer, plywood, and laminating veneer lumber.
48. Molding means sawn jungle wood (except teak wood) or other wood formed specifically through the molder with a water content (dry air) of # 20% (twenty percent) and used for certain purposes.
49. Impaled wood means a rectangular wood processed directly from KB or KBK using axe, chain saw or the like outside primary wood processing industry.
50. Auction forest product means wood product and non-wood products originating from an auction as evidenced from the legal and original summary of auction.
51. Smallholder forest wood means wood originating from trees planted or growing on a plot of land carrying the obligation of title deed, including mindi, cempaka, sengon, mahogany, teak, sungkai, sandalwood and fruit-producing trees, such as jackfruit, durian, kecap, manggo, duku, cempedak, manggis, sawo, randu, tamarind and the like, including wood originating from plantations, such as rubber and coconut trees.
52. Forest product list (DHH) means a document containing the no. and date of LHP, no. of stem, type of wood, length, diameter, and volume of each stem for log; or the numerical order of bundles, type of wood, size of sortimen, the number of bundles and volume for processed wood; or type, the number of bundles and weight for HHBK, as an integral part of SKSHH document.
53. Certificate of validating forest product (SKSHH) means an official document issued by the authorized official for transporting, controlling and possessing forest product, as legal evidence of forest product.
54. List of substitute carriers (DPP) means a provisional transport document as a substitute for SKSHH to transport forest products from general ports to industries or consumers in regencies/municipalities, except from ports in the Special Capital Province of Jakarta to Jakarta, Bogor, Tangerang, and Bekasi (Jabotabek), containing the no. of SKSHH, the no. of stems/the number of bundles, type and size of forest products.

55. Chip material transport invoice (FA-BBS) means a provisional transport document used for transporting chip materials other than KB to pulp industries, containing the type of wood, the number of stems, and the volume/weight of wood.
56. Mangrove transport invoice (FA-Mangrove) means a provisional transport document used for transporting mangrove to chip/pulp/charcoal industries, containing the type of wood, the number of stems, and the volume/weight of mangrove.
57. Note/invoice means an evidence of acquiring/purchasing processed wood from the sales place or wood working industry, functioning as a transport document and a valid evidence of forest products.
58. Report on the change of logs (LMKB) means a document on the change of logs, containing opening stock, addition, reduction, and closing stock of logs made in the TPK Forest or TPK Antara or in the hoarding place or the industry.
59. Report on the change of non-wood forest products (LMHHBK) means a document on the change of non-wood forest products, containing opening stock, addition, reduction, and closing stock of non-wood forest products made in the collecting place or the hoarding place or the industry.
60. Report on the change of processed forest products (LMHHO) means a document on the change of processed forest products, containing opening stock, acquisition/addition, use, reduction (sales, own use) and closing stock of processed forest products in the industry, consisting of report on the change of wood processed forest products (LMHHOK) and report on the change of non-wood processed forest products (LMHHOBK).
61. Log labeling means the act of numbering and stamping logs using a DK hammer.
62. DK hammer means a tool to give legality marks on logs containing the codes of the Ministry of Forestry, the Province, the Regency/Municipality and Numerical Order of Hammer.
63. Forest product measuring and testing officer means an officer of the permit holder assigned and authorized to fix the size, type and quality of forest products.
64. Director General means the Director General responsible for the development of forestry production.
65. Provincial Office means the office responsible for the forestry sector in the province concerned.
66. Regental/Municipal Office means the office responsible for the forestry sector in the regency/municipality concerned.
67. Forest Product Examiner Certifying Board (BSPHH) means a technical unit dealing with the certification of forest product examiners which is under and responsible to the Director General of Forest Production Development.

Article 2

- (1) The management of forest products is meant to give guidance to all parties engaged in the forestry sector to ensure that the management of forest products will run in an orderly and smooth manner so that forest conservation, state revenues and optimum use of forest products can be achieved.
- (2) The management of forest products targets all types of forest products originating from state forests, smallholder forests, processed forest products from the primary forest product industry and the wood working industry as well as auction forest products.

Article 3

- (1) Measuring and testing officers shall measure and test all forest products originating from state forests.
- (2) Measuring and testing officers shall measure and determine the types of all forest products originating from smallholder forests.
- (3) The procedures of measuring and testing forest products as meant in paragraph (1) and paragraph (2) shall follow the existing provisions.

Article 4

- (1) Forest products in the form of logs existing inside felling plots/blocks are declared legal if they originate from legal felling permits.
- (2) Forest products in the form of logs or processed wood existing outside forests (TPK Antara/in transit/industry/hoarding place, etc.) are declared legal, if they are equipped with legal documents, and logs are declared legal if they bear legal marks in the form of DK stamps and other identities consisting of the no. of stem, type and size of wood.
- (3) Forest products in the form of non-wood forest product (HHBK) are declared legal if they originate from the legal collecting permits or if they are equipped with documents on the legality of forest products.
- (4) Certificates of validating forest products (SKSHH) are declared legal, if they use SKHH forms stipulated by the Ministry and issued by P2SKHH and the content of the documents accord with the physical quantity of forest products carried (quantity, type and size) and there is no scratch.
- (5) If SKSHH are not filled according to this Decree, they will be declared as illegal documents.
- (6) If SKSHH have already been issued by P2SKSHH, the owners and/or carriers of forest products are responsible for the appropriateness of the contents of the documents with the physical quantity of the forest products.

CHAPTER II THE MANAGEMENT OF FOREST PRODUCTS IN FORESTS

Part One

Report on the Result of Cruising

Article 5

- (1) Holders of wood forest product utilization permits (IUPHHK) and other legal permits (ILS) who will fell wood shall conduct timber cruising.
- (2) The timber cruising as meant in paragraph (1) shall be conducted no later than December, 2 (two) years before felling with a cruising intensity of :

- a. 100% (one hundred percent) for IUPHHK in natural forests and IUPHHK in timber estates, for the type of furniture/carpentry wood,
- b. 10% (ten percent) for IUPHHK in timber estates, for the type of non-furniture/carpentry wood.

- (3) The results of the timber cruising as meant in paragraph (2) letter a, especially for IUPHHK in natural forests, must be equipped with LHC/felling plot using Form DK.A.101a.1 (Attachment I.A.1).
- (4) The LHC/felling plot as meant in paragraph (3) shall later be equipped with LHC/annual felling block using Form DK.A.101a.2 (Attachment I.A.2).
- (5) The results of the timber cruising as meant in paragraph (2) letter a and letter b for IUPHHK in timber estates shall be equipped with LHC/timber estate stands using Form DK.A.101b (Attachment I.A.3).
- (6) The LHC as meant in paragraph (3), paragraph (4) and paragraph (5) shall be reported to the Regent/Mayor as the basis for conducting checking cruising, with copies to the Head of the Provincial Office, the Head of the Regental/Municipal Office and the Director General.
- (7) Based on the LHC as meant in paragraph (6), the Regent/Mayor shall assign the Regental/Municipal Office to conduct checking cruising with a cruising intensity of 10% (ten percent) of the results of cruising as meant in paragraph (2) no later than December, 1 (one) year before felling.
- (8) Based on the result of checking cruising as meant in paragraph (7), which has met requirements, the Head of the Regental/Municipal Office shall:
 - a. make recapitulation of LHC/annual felling based on LHC/annual felling block as meant in paragraph (4), using Form DK.A.101c (Attachment I.A.4) to be submitted to the Regent/Mayor for endorsement,
 - b. sign LHC/timber estate stands as meant in paragraph (5) to be submitted to the Regent/Mayor for endorsement.
- (9) The Regent/Mayor shall endorse the recapitulation of

LHC/annual felling and/or LHC/timber estate stands as meant in paragraph (8) no later than the end of June, 6 (six) months before felling, by observing annual felling allotment stipulated by the Head of the Provincial Office as meant in Article 6 paragraph (2).

- (10) In endorsing the recapitulation of LHC/annual felling as meant in paragraph (9), the Regent/Mayor can assign the Head of the Regental/Municipal Office.
- (11) The recapitulation of LHC/annual felling shall be made in 5 (five) copies as follows:
- the original for the permit holder,
 - the 1st sheet for the Head of the Provincial Office,
 - the 2nd sheet for the Director General,
 - the 3rd sheet for the Head of the Regental/Municipal Office,
 - the 4th sheet as file of the Regent/Mayor.

Part Two

Annual Felling Quota

Article 6

- (1) The Director General shall set an annual felling quota for each province as a guideline for the Head of the Provincial Office to control/set annual felling allotment in its area.
- (2) The Head of the Provincial Office shall control/set the distribution of annual production allotment among HPH/IUPHHK holders in natural forests by observing the annual felling quota as meant in paragraph (1).
- (3) Further provisions on the annual felling quota as meant in paragraph (1) and paragraph (2) are to be stipulated in a separate decree of the Minister.

Part Three

Plan for Felling/Collecting Wood

Article 7

- (1) Based on the recapitulation of LHC/annual felling and/or LHC/timber estate stands that has been already endorsed as meant in Article 5 paragraph (9), the holders of IUPHHK or the holders of other legal permit shall draw up and propose an annual business plan (RKT) or work chart (BK) to the Head of the Provincial Office for assessment and endorsement.

- (2) Based on the RKT and BK already endorsed, the holders of IUPHHK or the holders of ILS can cut down wood.
- (3) Based on the felling target in the wood forest product collecting permits (IPHHK) already endorsed, the holders of IPHHK can cut down wood.
- (4) Based on the non-wood forest product collecting target in the non-wood forest product utilization permits (IUPHHBK) or the non-wood forest product collecting permits (IPHBBK), the holders of IUPHHBK/IPHHBK can collect non-wood forest products.
- (5) Based on the felling/collecting results, the holders of IUPHHK, ILS, IUPHHBK, IPHH or IPHHBK shall make:
- a report on the result of logs cut down (LHP-KB) using Form DK.A.104a (Attachment I.D.1) and a recapitulation of LHP-KB using Form DK.A.104e (Attachment I.D.5);
 - a report on the result of small logs cut down (LHP-KBK) using Form DK.A.104b (Attachment I.D.2) and a recapitulation of LHP-KBK using Form DK.A.104f (Attachment I.D.6);
 - a report on the result of mangrove cut down (LHP-Mangrove) using Form DK.A.104c (Attachment I.D.3) and a recapitulation of LHP-Mangrove using Form DK.A.104g (Attachment I.D.7);
 - a report on the production of non-wood forest products (LP-HHBK) using Form DK.A.104d (Attachment I.D.4) and a recapitulation of LP-HHBK using Form DK.A.104h (Attachment I.D.8);

Part Four

The Making and Endorsement of LHP/LP

Paragraph One

The Making of LHP-KB

Article 8

- (1) After cutting down trees and dividing stems in TPn, the holders of IUPHHK, IPHHK and ILS shall label and measure/test stems in accordance with the existing provisions.
- (2) The labeling of stems as meant in paragraph (1) includes the numbering of stems, the types of wood, the diameter of wood, and the length of stem.

- (3) The no. of stems as meant in paragraph (2) is the no. of plot and the no. of trees during the cruising.
- (4) The labeling of stems as meant in paragraph (2) and paragraph (3) is done by making a shallow cut
 - a. on both 'bontos' for wood of dry land forest;
 - b. on the stem of wood for wood of swampy forest.
- (5) Each newly-felled tree shall be given a label on its stump by making a shallow cut on it in the form of the no. of tree on LHC, the type of tree, the date of felling, the no. of felling plot/annual felling block and the year of annual business plan (RKT) or the work chart (BK).
- (6) If one tree is cut into several stems, the numbering of stems shall begin with capital A at the end of the stem and so forth.
- (7) The employee of the relevant company shall record each log that has been labeled in the Log Measurement Book everyday using Form DK.A.102a (Attachment I.8.1).
- (8) LHP-KB, along with a recapitulation of LHP-KB as meant in Article 7 paragraph (5) letter a shall be made twice a month in TPK-forest, namely in the middle and at the end of every month, by inserting data from the Measurement Book.
- (9) LHP-KB shall be made for each felling block and thus, if within one year there are more than one felling blocks, LHP-KB shall be made for each of the felling blocks.
- (10) In case of no tree felled, the holder of permit shall make zero LHP-KB by mentioning the reasons on the remark column.

Article 9

- (1) The location of making LHP-KB in TPK-forest is decided under Decision of the Head of the Regental/Municipal Office based on a proposal from the holder of the permit concerned.
- (2) At least 1 (one) official in charge of making LHP-KB shall be posted in each felling block and if within 1

(one) year there are 2 (two) felling blocks or more, 2 (two) officials in charge of making LHP-KB or more shall be posted in the felling blocks according to the number of felling blocks.

- (3) If 1 (one) felling block is located in 2 (two) Regencies/Municipalities or more, LHP-KB shall be made in each of the Regencies/Municipalities.

Paragraph Two The Endorsement of LHP-KB Article 10

- (1) In the middle and at the end of every month, the officers in charge of making LHP-KB shall apply to P2LHP for the endorsement of proposals for LHP-KB by enclosing evidence of PSDH and/or DR payments for the logs, with a copy to the Head of the Regental/Municipal Office concerned using specimen format (Attachment VII.A).
- (2) Based on the application for the endorsement of proposals for LHP-KB as meant in paragraph (1), if PSDH and/or DR for the logs have been paid, P2LHP shall soon conduct an inspection in accordance with the existing procedure as meant in Attachment III.
- (3) If the result of the physical inspection of the logs as meant in paragraph (2) is declared true, P2LHP shall endorse LHP-KB.
- (4) The logs as meant in paragraph (3) shall further be knocked using a DK hammer as meant in Attachment V on both ends of wood of dry land forest and on the stem of wood for wood of swampy forest.
- (5) If the logs are to be transported soon, LHP-KB can be endorsed first after P2LHP finishes the inspection.
- (6) LHP-KB, along with recapitulation of LHP-KB are made in 5 (five) copies as follows:
 - a. the 1st sheet : the Head of the Regental/Municipal Office;
 - b. the 2nd sheet : the Head of the Provincial Office;
 - c. the 3rd sheet : the Head of BSPHH;
 - d. the 4th sheet : P2LHP;
 - e. the 5th sheet : the company's file.

Paragraph Three
The Making of LHP-KBK and LHP-Mangrove
Article 11

- (1) The holders of IUPHHK and the holders of ILS that produce KBK and mangrove after cutting down trees and dividing stems in TPn shall measure wood using staple meter units.
- (2) To measure wood using staple meter units, newly-felled KBK or mangrove shall be collected in an open collecting place, but if the place does not make it possible the wood can be measured aboard the transport means.
- (3) The appointed officer of the company shall record the result of the measurement as meant in paragraph (1) in the small log/mangrove measurement book everyday using Form DKA 102.b (Attachment I.B.2).
- (4) Based on the data in the measurement book as meant in paragraph (2) the official in charge of making LHP in TPK shall make proposals for LHP-KBK or LHP-Mangrove and recapitulation of LHP-KBK or LHP-Mangrove as meant in Article 7 paragraph (5) letter b or letter c.

Paragraph Four
The Endorsement of LHP-KBK and LHP-Mangrove
Article 12

- (1) In the middle and at the end of every month, the official in charge of making LHP-KBK or LHP-Mangrove shall apply to P2LHP for the endorsement of proposals for LHP-KBK or LHP-Mangrove by enclosing evidence of PSDH and/or DR payments for the wood, with a copy to the Head of the Regental/Municipal Office concerned using the specimen format (Attachment VII.A).
- (2) Based on the application for the endorsement of proposals for LHP-KBK or LHP-Mangrove as meant in paragraph (1), if PSDH and/or DR have been paid for the KBK or mangrove, P2LHP shall soon conduct an inspection according to the existing mechanism as meant in Attachment III.
- (3) If the results of administrative and physical inspection have matched those contained in LHP-KBK/LHP-Man-

grove and PSDH and/or DR have been settled, P2LHP shall soon endorse LHP-KBK/LHP-Mangrove.

- (4) If the KBK/mangrove are to be transported soon before the period of endorsement, P2LHP can first endorse LHP-KBK/LHP-Mangrove after an inspection has been conducted and PSDH and/or DR has been paid.
- (5) LHP-KBK/LHP-Mangrove, along with recapitulation of LHP-KBK/LHP-Mangrove shall be made in 5 (five) copies as follows:
 - a. the 1st sheet : the Head of the Regental/Municipal Office;
 - b. the 2nd sheet : the Head of the Provincial Office;
 - c. the 3rd sheet : the Head of BSPHH;
 - d. the 4th sheet : the P2LHP;
 - e. the 5th sheet : the company's archive.

Paragraph Five
The Making of LP-HHBK
Article 13

- (1) In the middle and at the end of every month the holders of IUPHHBK and IPHHBK shall make a report on the production of non-wood forest products (LP-HHBK) and its recapitulation as meant in Article 7 paragraph (5) letter d to be submitted to the Regental/Municipal Office.
- (2) The permit holders as meant in paragraph (1) shall measure the weight/volume/quantity of HHBK produced/collected and insert them in LP-HHBK.

Paragraph Six
The Endorsement of LP-HHBK
Article 14

- (1) In the middle and at the end of every month, the official in charge of making LP-HHBK shall apply for the endorsement of proposals for LP-HHBK to the official in charge of validating reports on the production of non-wood forest products (P2LPHHBK) by enclosing an evidence of PSDH payments for HHBK, with a copy to the Head of the Regental/Municipal Office.
- (2) Based on the application for the endorsement of proposals for LP-HHBK as meant in paragraph (1), P2LPHHBK shall soon conduct an inspection according

to the existing procedure as meant in Attachment III.

- (3) If based on the result of inspection, the physical quantity of HHBK has already matched LP-HHBK and PSDH has already been paid, P2LP-HHBK shall soon endorse LP-HHBK.
- (4) LP-HHBK, along with its recapitulation are made in 5 (five) copies as follows:
 - a. the 1st sheet : the Head of the Regental/Municipal Office;
 - b. the 2nd sheet : the Head of the Provincial Office;
 - c. the 3rd sheet : the Head of the BSPHH;
 - d. the 4th sheet : P2LP-HHBK;
 - e. the 5th sheet : the company's archive.

Paragraph Seven The Appointment of

Officers Responsible for Issuing LHP Article 15

- (1) The holders of IUPHHK, IUPHHBK, IPHHBK and ILS shall employ officers responsible for issuing LHP-KB/LHP-KBK/LHP-Mangrove/LP-HHBK.
- (2) The officers responsible for issuing LHP-KB/LHP-KBK/LHP-Mangrove/LP-HHBK as meant in paragraph (1) shall be forest product measuring and testing officers.
- (3) Before being appointed as officers responsible for issuing LHP-KB/LHP-KBK/LHP-Mangrove/LP-HHBK, the permit holders as meant in paragraph (1) shall propose the names to the Head of the Provincial Office by enclosing:
 - a. a copy of the valid certificate and card of examiner (KP);
 - b. the location/area of assignment and specimen signature;
 with a copy to the Head of the Regental/Municipal Office for recruitment/appointment by means of a decision.
- (4) The decision on the appointment of the officers responsible for issuing LHP-KB/LHP-KBK/LHP-Mangrove/LP-HHBK, along with the registry number of each of the officers shall be sent to the permit holders, with

copies to the Head of the Regental/Municipal Office and the Head of BSPHH.

- (5) The registry number as meant in paragraph (4) includes numerical order, provincial code, regental/municipal code, abbreviated name of company, abbreviated name of the officer responsible for issuing LHP and type of commodity from the relevant forest as follows:

The registry no. of the officer issuing LHP-KB in East Kalimantan Province: 001/19/1904/BT/SLM/KB, where:

- 001 = registry numerical order;
- 19 = the code of East Kalimantan Provincial;
- 1904 = the code of Berau Regency;
- BT = the code of PT Begitu Terang;
- SLM = the abbreviated name of the officer named Solomon;
- KB = the abbreviated name of log.

- (6) The decision on the appointment of officer responsible for issuing LHP-KB or LHP-Mangrove or LP-HHBK shall be valid for a plan for 1 (one) year felling or a plan for felling in the current year or a plan for collecting forest products.

Part Five

The Transport of Forest Products

Paragraph One

General

Article 16

- (1) The transport of wood from the felling location or from TPn to TPK-forest shall be equipped with a manifest (DP) issued by the officer from the holder of IUPHHK, IPHHK or ILS using Form DK.A.202 (Attachment I.H.4).
- (2) The manifest as meant in paragraph (1) functions as an intermediary transport document and legal evidence of forest products.
- (3) The transport of wood from TPK/TPn in the forest to another place shall use the document as specified in this decision.
- (4) As the basis for the issuance of the manifest as meant in paragraph (3), the owner of forest products shall file an application to the officer authorized to issue the transport document.

(5) In connection with a plan for the transport of forest products, a list of forest products (DHH) shall be made as the basis for the filing of an application for a transport document to the authorized official using Form DK.A.105 (Attachment I.E), except for the transport of KBK/mangrove to the pulp/chip/charcoal industry.

(6) With regard to the application as meant in paragraph (4), the appointed officer shall check the truth of the physical quantity of forest products to be transported through the procedure as specified in Attachment III.

(7) Legal transport documents consist of:

- a. SKSHH (Form DK.B.201), Attachment I.H.1;
- b. DPP (Form DK.B.202), Attachment I.H.3;
- c. FA-BBS/FA-Mangrove (Form DK.A.201), Attachment I.H.2.

(8) SKSHH, DPP, FA-BBS and FA-Mangrove are only valid for 1 (one) transport from 1 (one) owner, 1 (one) type of commodity of forest product and 1 (one) transport means to 1 (one) destination.

(9) If in one transport means there are several parties of forest product for different destinations, each of the parties of forest product shall be equipped with SKSHH according to their respective destinations.

(10) KBK products that are transported from TPn/TPK-forest to the pulp industry can use FA-BBS issued by the officer from the relevant company.

(11) KBK products that are transported from TPn/TPK-forest to the destination other than the pulp industry shall be equipped with SKSHH issued by P2SKSHH.

(12) Mangrove production that will be transported from TPn to the pulp industry can use FA-Mangrove registered by the Provincial Office concerned, and FA-Mangrove issued by the officer of the appointed company.

(13) KBK products that are transported to the pulp industry in other province can use FA-BBS after securing a seal of approval from the Director General.

(14) In addition to using the documents as meant in para-

graph (1), paragraph (10), paragraph (12), Article 41 paragraph (1) and transport evidence in the form of notes/invoice, all forest products that are transported shall use SKSHH documents, except for the transport of imported forest products.

Paragraph Two

The Procedure of Making and Filling A List of Forest Products (DHH)

Article 17

(1) The procedure of making DHH shall be as follows:

- a. The transport of forest products using SKSHH documents shall be equipped with DHH filled using a typewriter;
- b. DHH is made by the permit holder and used as the basis for the filing of an application for SKSHH;
- c. DHH is made in 6 (six) copies distributed according to SKSHH documents.

(2) The procedure of filling DHH as meant in paragraph (1) shall be as follows:

- a. For KB, the columns no. of stem, type of wood, length, diameter and volume must be the same as those contained in LHP or DHH in the original SKSHH or the previous SKSHH by mentioning the number and date of LHP/DHH;
- b. In giving the numbers as meant in letter a, if a stem is cut into two stems or more, the no. of log cut used in filling DHH must be the same as the number of stems in LHP by adding letters a, b and so on, and the numbering and labeling of wood cut must accord with the change.
- c. For KBK/Mangrove that are transported from the forest to the destination other than the pulp/chip/charcoal industry, DHH must be filled with the no. and date of LHP, types and volume/meter and other information by mentioning the other information, if necessary.
- d. For processed wood, DHH must be filled with numerical order, type of processing/sortimen, size, the number of discs/sheets/bundles and volume, and other information by mentioning the other information, if necessary.
- e. For HHBK, DHH must be filled with numerical order, type of HHBK, the number of units and other information, if necessary.

Paragraph Three
The Procedure of Applying for and Issuing Certificates
of Validating Forest Products and Invoice for
Transporting Chip Materials
(FA-BBS)
Article 18

- (1) Any corporate body, individual and forestry industrial permit holder that will transport forest products shall apply for SKSHH to P2SKSHH, with a copy to the Head of the Regental/Municipal Office.
- (2) The application for SKSHH as meant in paragraph (1) shall be complete with
 - a. a report on the change of forest products (LMKB, LMKBK/Mangrove, LMHHCK, LMHHBK, LMHHOBK;
 - b. DHH;
 - c. Identity of the applicant;
 - d. legal evidence of ownership of forest products, for the owner that will transport again the forest products.
- (3) Any application is valid for the issuance of SKSHH or a maximum of 1 (one) day publication for several SKSHH.

Article 19

- (1) Form SKSHH is filled based on the recapitulation of DHH.
- (2) Form SKSHH shall be filled using a typewriter.
- (3) The procedure of filling Form SKSHH shall follow the procedure as meant in Attachment IV.

Article 20

- (1) The procedure of issuing SKSHH for logs (KB) shall be as follows:
 - a. P2SKHH no later than 1 (one) day after receiving the application for the issuance of SKSHH, shall conduct administrative and physical inspection of KB according to the procedure as specified in Attachment III;
 - b. Before conducting physical inspection, P2SKSHH shall first examine DHH to make sure that KB inside DHH originate from already-validated LHP-KB;
 - c. In examining KB, P2SKSHH is assisted by 1 (one) person or more, that have better knowledge

- and experience in measuring and testing forest products;
- d. Based on the official report of physical inspection as meant in letter a, P2SKSHH shall soon sign DHH and issue SKSHH;
- e. If transport means can not get closer to the hoarding place/TPK so that the process of loading KB onto the transport means is made in stages and/or takes more than 1 (one) days, the process of loading can be conducted after P2SKSHH signed the official report of inspection (BAP) and thus, BAP and DHH serve as evidence of loading goods onto the transport means and function as valid evidence of KB transported to the loading place before SKSHH is issued.
- f. The issuance of SKSHH for transport means that can not get closer to the place of loading/TPK as meant in letter e or the process of loading KB in TPK onto the transport means takes time and thus, SKSHH is issued after all the forest products contained in DHH have been loaded onto the transport means.
- g. After SKSHH is issued, P2SKSHH hands over SKSHH documents to the applicant, accompanied by an official report on the handover of SKSHH documents.
- h. The Head of the Provincial Office shall specially arrange the transport of logs and processed wood which because of natural factor or other constraints is not efficient.

- (2) The procedure of issuing SKSHH to KBK/mangrove is as follows:
 - a. in no more than 1 (one) day after receiving an application for SKSHH, P2SKSHH shall conduct an inspection according to the procedure of inspection as meant in Attachment II;
 - b. before conducting a physical inspection, P2SKSHH shall first examine DHH that has been filed to see to it that KBK/mangrove in the DHH originates from LHP-KBK or LHP-Mangrove already validated;
 - c. based on the official report on the inspection of KBK/Mangrove as meant in letter a, P2SKSHH shall soon sign DHH and issue SKSHH;
 - d. specially for KBK/Mangrove used as raw material in the pulp/chip/charcoal industry in one province

and the transport of KBK/Mangrove equipped with FA-BBS/FA-Mangrove, SKSHH for KBK/Mangrove is issued 1 (one) occasion only per day based on the recapitulation of forest products weighed according to a set of FA-BBS/FA-Mangrove (recapitulation of weighing results must be attached) by P2SKSHH in the industry.

- d. Mangrove that will be transported to the chip/charcoal industry can use FA-Mangrove issued by the officer of the company appointed by the board of directors of the company and stipulated by means of a decision of the Head of the Provincial Office;
- e. FA-BBS or FA-Mangrove can be filled by handwriting.

- e. especially for KBK from outside the province used as raw material in the pulp industry and the transport of KBK equipped with FA-BBS, SKSHH is issued every month by P2SKSHH in the province of origin based on the recapitulation of forest products weighed every month signed by P3KB in the pulp industry.
- f. after issuing SKSHH, P2SKSHH hands over SKSHH documents to the applicant, accompanied by an official report on the handover of the documents.

(3) The procedure of issuing SKSHH for HHBK is as follows:

- a. In no more than 1 (one) day after receiving an application for SKSHH, P2SKSHH shall examine HHBK in accordance with the procedure of check as meant in Attachment III;
- b. Based on the official report on examination, P2SKSHH shall soon sign DHH and issue SKSHH.
- c. After issuing SKSHH, P2SKSHH shall hand over SKSHH to the applicant, along with the official report on the handover of SKSHH.

(4) The procedure of issuing FA-BBS and FA-Mangrove is as follows:

- a. KBK that will be transported to the pulp industry as a raw material for the production of chip can use FA-BBS of the pulp industry if the KBK originates from the group to which the industry belongs;
- b. If KBK originates from the company outside the group to which the pulp industry belongs, the KBK can be transported to the pulp industry using FA-BBS of the industry after securing a seal of approval from the Director General;
- c. FA-BBS is issued in TPK-forest by the officer appointed by the board of directors of the company from which the wood originates and is stipulated by means of a decision of the Head of the Provincial Office;

Paragraph Four

The Validity Period of SKSHH/DPP/FA-BBS/FA-Mangrove Article 21

- (1) The validity period of SKSHH, DPP, FA-BBS, FA-Mangrove is as follows:
 - a. SKSHH is valid for a maximum of 25 (twenty-five) days;
 - b. DPP is valid for a maximum of 1 (one) day (24 hours);
 - c. FA-BBS/FA-Mangrove is valid for a maximum of 2 (two) days.
- (2) The validity period of SKSHH, DPP and FA-BBS/FA-Mangrove shall be stipulated by means of a decision of the Head of the Provincial Office.
- (3) The validity period of the documents as meant in paragraph (2) is based on the normal time of covering a distance and the type of transport means.
- (4) SKSHH shall be distributed as follows:
 - a. 1st and 2nd sheets : for the forest products transported;
 - b. 3rd sheet : for the Head of BSPHH from which the forest products originate;
 - c. 4th sheet : for the Head of the Provincial Office to which the forest products are transported;
 - d. 5th sheet : for the archive of P2SKSHH;
 - e. 6th sheet : for the archive of the company using SKSHH.
- (5) DPP shall be distributed as follows:
 - a. 1st and 2nd sheets : for the forest products transported;
 - b. 3rd sheet : for the Head of the Regental/Municipal Office to which the forest products are transported;
 - c. 4th sheet : for the archive of the issuer.

(6) FA-BBS shall be distributed as follows:

- a. 1st and 2nd sheets : for KBK transported;
- b. 3rd sheet : for the Head of the Regental/Municipal Office to which KBK is transported;
- c. 4th sheet : for the archive of the issuer.

(7) FA-Mangrove shall be distributed as follows:

- a. 1st and 2nd sheets : for mangrove transported;
- b. 3rd sheet : for the Head of the Regental/Municipal Office to which mangrove is transported;
- c. 4th sheet : for the archive of the issuer.

Part Six

The Making of Report on the Change of Logs (LMKB)

Paragraph One

The Making of LMKB for Logs in Forests

Article 22

(1) The holders of IUPHHK, IPHHK and ILS shall make LMKB in TPK (logpond/logyard) in the forest using Form DK.A.106a (Attachment I.F.1).

(2) The procedure of filling LMKB shall be as follows:

- a. the column addition is filled based on the recapitulation of LHP-KB already validated for each month;
- b. the column reduction is filled based on the recapitulation of DHH/SKSHH issued for 1 (one) month;
- c. the column remarks contains the serial number and issuance date of SKSHH and the destination of transportation;
- d. based on the stock in the column addition reduced by the column reduction, the remainder constitutes the closing stock in the relevant month;
- e. in case of a change in the stock remainder because of disappearance/loss and so forth in one month, an official report shall be made with the knowledge of P2LHP and be calculated in the column stock.

(3) LMKB shall be made in 4 (four) copies as follows:

- a. 1st sheet : for the Head of the Regental/Municipal Office;
- b. 2nd sheet : for P2LHP;
- c. 3rd sheet : for P2SKSHH; and
- d. 4th sheet : for the archive of the permit holder.

(4) The 1st, 2nd, and 3rd sheets of LMKB shall be sent according to their appropriation and be received in no more than the 5th of the ensuing month.

(5) LMKB as meant in paragraph (1) shall accord with the type, amount and physical volume of wood.

Paragraph Two

The Making of LM-KBK/Mangrove

Article 23

(1) The holders of IUPHHK, IPHHK and ILS that produce KBK/mangrove shall make LM-KBK/mangrove in TPN/TPK every month using Form DK.A.106b (Attachment I.F.2).

(2) The procedure of filling LM-KBK/mangrove is as follows:

- a. The column addition is filled based on the recapitulation of LHP-KBK/LHP-Mangrove already validated for each month;
- b. The column reduction is filled based on the recapitulation of SKSHH/FA-BBS/FA-Mangrove issued for 1 (one) month;
- c. The column remarks shall contain the serial number and issuance date of SKSHH/FA-BBS/FA-Mangrove issued and the destination of the forest products;
- d. Based on the stock in the column addition minus the column reduction, the remainder is considered as the closing stock in the relevant month;
- e. in case of a change in stock remainder because of loss/sinking and so forth during one month, an official report must be made with the knowledge of P2LHP.

(3) LM-KBK/Mangrove shall be made in 4 (four) copies as follows:

- a. 1st sheet : for the Head of the Regental/Municipal Office;
- b. 2nd sheet : for P2LHP;
- c. 3rd sheet : for P2SKSHH; and
- d. 4th sheet : for the archive of the permit holder.

(4) The 1st and 2nd sheets of LM-KBK/Mangrove shall be sent to the given addresses and be received in no more than the 5th of the ensuing month.

- (5) LM-KBK/Mangrove as meant in paragraph (1) shall accord with the type, quantity and volume/weight of wood.

Paragraph Three
The Making of LM-HHBK
Article 24

- (1) The holders of IUPHHBK and IPHHBK shall make LM-HHBK every month using Form DK.A.106c (Attachment I.F.3).
- (2) The procedure of filling LM-HHBK shall be as follows:
- a. The column addition is filled based on the recapitulation of LP-HHBK already validated every month;
 - b. The column reduction is filled based on the recapitulation of SKSHH issued for 1 (one) month;
 - c. The column remarks contains the serial number and issuance date of SKSHH and the destination of transportation;
 - d. based on the stock in the column addition minus the column reduction, the stock remainder is the closing stock in the relevant month;
 - e. In case of a change in the stock remainder because of loss/sinking and so forth within 1 (one) month, an official report shall be made with the knowledge of P2LP.
- (3) The permit holders as meant in paragraph (1) shall make LM-HHBK in 4 (four) copies every month and send LM-HHBK in no more than the 5th of the ensuing month as follows:
- a. 1st sheet : for the Head of the Regental/Municipal Office;
 - b. 2nd sheet : for P2LHP;
 - c. 3rd sheet : for P2SKSHH; and
 - d. 4th sheet : for the archive of the company.
- (4) The 1st and 2nd sheets of LM-HHBK shall be sent and be received in no more than the 5th of the ensuing month;
- (5) LM-HHBK as meant in paragraph (4) shall accord with the physical quantity of HHBK, either in terms of type, quantity and volume/weight.

CHAPTER III
THE MANAGEMENT OF

FOREST PRODUCTS IN INTERMEDIARY TPK
Part One
The Treatment of SKSHH in Intermediary TPK
Article 25

- (1) SKSHH that are received in the intermediary TPK/hoarding place are treated as follows:
- a. the 1st and 2nd sheets of SKSHH shall be reported in no more than 1 (one) work days to P3KB/P3KG/P3HHBK for deactivating soon by putting a stamp "ALREADY DEACTIVATED" on the front page of the document before conducting an administrative and physical check on the forest products transported.
The administrative check includes:
 - 1) the truth of documents used;
 - 2) the truth of name and specimen signature of P2SKSHH;
 - 3) the truth of register no. of P2SKSHH;
 - 4) the truth of SKSHH documents filled.
 - b. The physical check of forest products shall follow the procedure of checking as meant in Attachment III;
 - c. After the administrative and physical checks have been completed, P3KB/P3KG/P3KL/P3HHBK shall make an official report of check using Form DK.B.101.b (Attachment I.I.2) and sign SKSHH in the available space;
 - d. P3KB/P3KG/P3KL/P3HHBK shall collect the 1st sheets of SKSHH and make a registry book on the receipt of the 1st sheets of SKSHH and then record them in the list for receiving the 1st sheets of SKSHH documents using Form DK.B.104d (Attachment I.L.4);
 - e. The 2nd sheet of SKSHH, along with DHH that have been deactivated and signed by P3KB/P3KG/P3KL/P3HHBK shall be returned to the owner of forest products in the destination;
 - f. In the middle or at the end of every month, a bundle of 1st sheets of SKSHH, along with the list as meant in letter e and the official report of check as meant in letter c shall be sent to the Head of the Regental/Municipal Office and at the end of the same month be sent to the Head of the Provincial Office.
- (2) The procedure of treating documents whose validity period expires while in transit shall be as follows:

a. If

a. If the validity period of SKSHH, DPP, FA-BBS or FA-Mangrove expires while in transit:

- 1) For documents needed in the transport of forest products at sea, the documents whose validity period has expired shall be accompanied by a letter of statement issued by the ship's captain to explain the cause of delay in the transport of forest products;
- 2) P3KB/P3KG/P3KL/P3HHBK shall extend the validity period of the documents as meant in point 1) after the forest products transported arrive in the destination;
- 3) For documents needed in the transport of forest products on land/in river, the documents whose validity period has expired shall be accompanied by a letter of statement made by the truck's driver/ship's captain to explain the cause of delay in the transport of forest products;
- 4) The nearby forest officer who oversees the circulation of forest products in the relevant area shall extend the validity period of the documents as meant in point 3);
- 5) The validity period of documents shall be extended through the column extension of validity period available in the relevant documents by filling the number of days and the validity date of extension and by putting signature, full name, position and civil servant's registry number (NIP).
- 6) The validity period of the documents shall be extended starting from the date of signing.
- 7) The extension of the validity period of SKSHH documents shall be given on one occasion only in the transport of forest products according to the remaining normal distance and time.

b. The forest products whose validity period of documents has expired while in transit as meant in letter a shall be 100% (one hundred percent) checked physically after arriving at the destination.

(3) The issuance of SKSHH from the intermediary TPK or the hoarding place shall be as follows:

- a. The owner of forest products who is to transport forest products from the intermediary TPK/the hoarding place shall apply for SKSHH by enclosing:
 - 1) LMKB/LM-KBK or LM-Mangrove/LMHBBK;

- 2) Plan for transport of forest products according to new DH;
- 3) Original identity of the applicant (for individual);
- 4) Previous evidence of the ownership of forest products for the owner of forest products who is to transport again the forest products (previous SKSHH).

b. The application for SKSHH shall be filed to P2SKSHH, with a copy to the Head of the Regental/Municipal Office.

Part Two

The Making of LMKB for Logs in Intermediary TPK

Article 26

(1) LMKB shall be made in each intermediary TPK using Form DK.A.106A.

(2) The procedure of filling LMKB shall be as follows:

- a. The column addition is filled based on the recapitulation of SKSHH received every month.
- b. The column reduction is filled based on the recapitulation of SKSHH issued within 1 (one) month.
- c. The column remarks includes the numerical order and date of SKSHH issued and received as well as the origin of wood.
- d. Based on the stocks in the column addition minus the column reduction, the remainder constitutes the closing stocks in the relevant month.
- e. In case of a change in the remaining stocks due to disappearance/sinking, etc. for one month, an official report must be made with the knowledge of P3KB and the amount is included in the column reduction.

(3) LMKB shall be made in 4 (four) copies as follows:

- a) the 1st sheet for the Head of the Regental/Municipal Office;
- b) the 2nd sheet for P3KB;
- c) the 3rd sheet for P2SKSHH; and
- d) the 4th sheet for the archive of the permit holder.

(4) LMKB as meant in paragraph (1) shall accord with the type, quantity and volume of forest products.

CHAPTER IV (TO BE CONTINUED)

—==(S)==—

Form DK.B.111b (Attachment I.5.2) in 2 (two) copies which are sent no later than the 10th of the same month to :

- a. 1st sheet, the Director General; and
- b. 2nd sheet, archive.

Article 54

- (1) Every month the holders of forest product export permits shall report the realization of exports to the Regental/Municipal Office no later than the 5th of the ensuing month.
- (2) All corporate bodies or individuals that import forest products in the form of logs and/or sawn timber shall report the imports to the Provincial Office or the Regental/Municipal Office by providing a copy of import document.
- (3) Every month the holders of permits to pick/collect/accommodate/process non-wood forest products that export non-wood forest products or by-products shall report the realization of exports to the Regental/Municipal Office no later than the 5th of the ensuing month.

CHAPTER XI DEVELOPMENT AND CONTROL

Article 35

- (1) The Directorate General shall develop, supervise and control the management of forest products including the audit of SKSHH forms.
- (2) The Provincial Offices shall develop, supervise and control the management of forest products in their respective working areas.
- (3) The Regental/Municipal Offices shall develop, supervise and control the management of forest products in their respective working areas.
- (4) BSPHH shall technically develop, supervise and monitor the activities related to the tasks.

CHAPTER XII AUDIT

Article 56

- (1) To check the truth of reports on the production, transportation and stock of forest products, the Provincial Office can audit the production, transportation and stock of forest products reported by the permit holder.
- (2) To check the truth of reports on the receipt, processing, production, marketing/sales/transportation and stock of KB/KBK/Mangrove and processed wood, an inventory check shall be conducted in the TPK wood industry/accommodating place of the permit holder by the Regental/Municipal Office or by the Provincial Office (for the Regency/Municipality that has not had an agency in charge of forestry affairs).
- (3) The inventory check as meant in paragraph (2) shall be conducted at the end of every year or at any time if needed or at the end of the validity period of the legal permit.

Article 57

- (1) The officers of the Ministry and the Provincial Office shall have the authority to check the truth of reports on the management of forest products.
- (2) Based on the result of the check as meant in paragraph (1) a post audit can be conducted.
- (3) The Director General shall stipulate the procedure of conducting the post audit.

CHAPTER XIII OTHER PROVISIONS

Article 58

In case of difference in the quantity, type and legality mark (especially for logs other than KBK and mangrove) and the volume of forest products owned, transported or controlled based on legal transport documents, only forest products that do not accord with SKSHH/DHH/DPP/FA-BBS/FA-Mangrove shall be processed according to the law in force.

Article 59

- (1) The management of forest products that originate

from the working territory of state forestry company Perhutani for provinces in Java is to be stipulated in a separate decree of the Minister.

(2) Pending the decree of the Minister as meant in paragraph (1), the transport of forest products produced by Perhutani from TPK to the consumer or the industry owned by Perhutani shall be equipped with SKSHH issued by P2SKSHH.

(3) P2SKSHH as meant in paragraph (2) shall be the employee of Perhutani who has the qualifications as forest product examiner appointed by the Head of the Provincial Office based on the proposal from the Head of Perhutani Unit by observing the list of PHH issued by the Head of BSPHH.

CHAPTER XIV TRANSITIONAL PROVISIONS

Article 60

(1) TPK/TPn/Intermediary TPK/TPK Industry that have been declared based on the regulation in force before the enforcement of this Decree shall be considered as having been declared as TPK/TPn/Intermediary TPK/TPK Industry based on this Decree.

(2) No later than 12 (twelve) months after this Decree began to take effect, all P2LHP, P2LP-HHBK, P2SKSHH and P3KB/P3KG/P2KL/P3HHBK shall have qualifications at least as forest product examiners.

(3) For the time being P3KB can audit the physical receipt of forest products in the form of sawn timber and plywood until the appointment of P3KG and P3KL.

(4) The deadline for the adjustment of forms used in the management forest products as meant in this Decree shall be June 30, 2003.

(5) The use of DK stamps shall begin to take effect on July 1, 2003.

CHAPTER XV CONCLUSION

Article 61

When this Decree began to take effect,

- a. Decree of the Minister of Forestry No. 402/Kpts/90 junction Decree of the Minister of Forestry No. 525/Kpts-II/1991 on Wood Business;
- b. Decree of the Minister of Forestry No. 486/Kpts-IV/1995 junction Decree of the Minister of Forestry No. 532/Kpts-IV/1995 on Wood Business in Java;
- c. Decree of the Minister of Forestry No. 590/Kpts-II/1996 on the Issuance of Certificates for the Transport of Processed Wood (SAKO) in an Official Assessment Basis to Upstream Wood Processing Industry (IPKH) that is not supported by HPH;
- d. Decree of the Minister of Forestry and Plantation No. 316/Kpts-II/1999 on the Management of Forest Products;
- e. Decree of the Minister of Forestry and Plantation No. 13.1/Kpts-II/2000 on the Criteria and Standard for the Circulation and Marketing of Forest Products;
- f. Decree of the Minister of Forestry No. 132/Kpts-II/2000 on the Enforcement of Certificate of Validating Forest Products (SKSHH) in lieu of Certificate for the Transport of Logs (SAKB), Certificate for the Transport of Processed Wood (SAKO) and Certificate for the Transport of Non-Wood Forest Products (SAHHBK);

e. Other provisions contradicting this Decree;

shall be declared null and void.

Article 62

This Decree shall take effect as from the date of stipulation.

Stipulated in Jakarta
on April 4, 2003
THE MINISTER OF FORESTRY,
sgd.
MUHAMMAD PRAKOSA

====(S)=====

THE MANAGEMENT OF FOREST PRODUCTS

(Decree of the Minister of Forestry No. 126/KPTS-II/2003 dated April 4, 2003)

[Continued from Business News No. 7254 pages 3A - 18A]

CHAPTER IV

THE MANAGEMENT OF FOREST PRODUCTS IN INDUSTRY

Part One

The Treatment of SKSHH in Industry

Article 27

- (1) SKSHH/DPP received from the TPK-industry shall be treated as follows:
 - a. The 1st and 2nd sheets of SKSHH/DPP shall be reported to P3KB/P3KG/P3HHBK in no more than 1 (one) work day for deactivating by putting a "ALREADY DEACTIVATED" stamp on the front page of the document before the forest products transported are checked administratively and physically;
 - b. The administrative check includes:
 - 1) The truth and validity of the form used;
 - 2) The truth of name and specimen signature of P2SKSHH;
 - 3) The truth of registry number of P2SKSHH;
 - 4) The truth of Form SKSHH filled.
 - c. The physical check of forest products shall be conducted according to the procedure referred to in Attachment III;
 - d. After the administrative and physical checks are completed, P3KB/P3KG/P3KL/P3HHBK shall make an official report of check using Format DK.B.101b (Attachment I.1.2) and sign SKSHH or DPP on the available column;
 - e. P3KB/P3KG/P3KL/P3HHBK shall collect the 1st sheets of SKSHH/DPP and make a registry book for receiving the 1st sheets of SKSHH/DPP and later put the 1st sheets of SKSHH/DPP into the list of the 1st sheets of SKSHH using Form DK.B.104d (Attachment I.L.4);
 - f. The 2nd sheet of SKSHH and the 2nd sheet of DPP that have been deactivated and signed by P3KB/P3KG/P3KL/P3HHBK shall be returned to the owner of forest products;
 - g. In the middle and at the end of every month the collection of the 1st (original) sheets of SKSHH/

DPP, along with the list as meant in letter e and the official report as meant in letter d shall be sent to the Head of the Regental/Municipal Office and later at the end of the same month be sent to the Head of the Provincial Office;

- (2) The procedure of treating documents that have had their validity period expired while in transit shall follow the provisions as meant in Article 25 paragraph (2).
- (3) The holder of permit of wood processing industry is only allowed to receive KB/KBK/Mangrove/K/HHBK originating from the legal permit.
- (4) The forest products as meant in paragraph (3) shall be complete with a legal transport document with the destination as specified in the relevant document.
- (5) The receipt of forest products as meant in paragraph (3) shall be reported to P3KB/P3KG/P3KL/P3HHBK by handing over the 1st and 2nd sheets of SKSHH/DPP.
- (6) P3KB/P3KG/P3KL/P3HHBK shall check forest products according to the procedure as meant in Attachment III.

Part Two

The Treatment of SKSHH/FA-BBS/FA-Mangrove in Pulp/Chip/Charcoal Industry

Article 28

- (1) The holder of pulp/chip/charcoal industry permit that receives KBK/mangrove shall have good scales that have been imprinted by the authorized agency according to the existing provisions.
- (2) Chip materials or mangrove that are received in the pulp/chip/charcoal industry shall be reported to P3KB for checking according to the procedure as meant in Attachment III.

- (3) P3KB as meant in paragraph (2) shall make a recapitulation of the results of measuring/weighing everyday as the basis for the making of a monthly recapitulation validated by the relevant P3KB.
- (4) In case of the transportation of chip materials from another province, the recapitulation as meant in paragraph (3) shall be sent to each of the permit holders in the place of origin as the basis for the issuance of SKSHH by the appointed P2SKHH.
- (5) SKSHH published for KBK shall be given a KBK stamp on the column in the upper middle section of SKSHH, complete with a recapitulation of the result of measuring/weighing FA-BBS, while SKSHH published for mangrove shall be given "MANGROVE" stamp, complete with a recapitulation of mangrove transport invoices.
- (6) If in one party of KBK weighed in the pulp industry there are logs (wood with a diameter of 30 cm or above) and/or there is type of beautiful/luxurious wood, they shall be separated from the party of KBK, while a special list of measurement and an official report of check (BAP) shall be made as the basis for the calculation of fees on PSDH and/or DR.
- (7) P3KB shall collect the 1st sheets of FA-BB5/FA-Mangrove/SKSHH and make a registry book for receiving the 1st sheets of FA-BB5/FA-Mangrove/SKSHH and later put them into the 1st List of FA-BBS/FA-Mangrove/SKSHH received, using Form DK.8.104d (Attachment I.L.4).
- (8) The 2nd sheets of FA-BBS/FA-Mangrove/SKSHH that have been deactivated and signed by P3KB are returned to the owner of forest products.
- (9) The collection of the 1st (original) sheets of SKSHH, along with the list as meant in paragraph (7) shall be sent to the Head of the Regental/Municipal Office at the end of every month and to the Head of the Provincial Office at the end of the same month.

Part Three

The Issuance of SKSHH and the Transportation of Processed Forest Products

Article 29

- (1) Processed wood in the form of sawn timber, chip/pulp, and wood panel (veneer, plywood, blackboard, laminated veneer lumber, and medium density fiberboard) that are to be transported from and to the wood industry shall be equipped with DHH by the company/individual and later be used as the basis for filing an application for SKSHH.
- (2) The DHH of processed wood as meant in paragraph (1) shall be filled with the sequence number, type of processed wood, number of bundles/packing, size, volume and column remarks and other necessary explanations.
- (3) The transport of processed wood in the form of sawn timber, chip/pulp, and panel wood from and to the industry and the hoarding place shall be equipped with SKSHH.
- (4) The transport of processed wood in the form of sawn timber, chip/pulp and panel wood from the hoarding place to the consumer (not for further processing and selling) within a regency/municipality does not need SKSHH but must be equipped with a note/invoice from the relevant company.
- (5) The transport of processed wood in the form of molding, dowel, door, window, furniture and other finished goods from the wood working industry or from the selling place does not need SKSHH but must be equipped with a note/invoice from the seller or the industry concerned.
- (6) The transport of charcoal from the processing industry to the industrial center or the collecting place shall be equipped with SKSHH.
- (7) The transport of non-wood forest products that have been processed in the form of rattan, polish, rattan heart, rattan bark, cajuput oil, sandalwood oil,

lawang oil, keruing oil, mat, shingle roof, sandalwood chip, and sandalwood pulp shall be equipped with SKSHH.

Article 30

- (1) Processed wood to which SKSHH can be issued shall be processed wood originating from the primary forest product industry and the hoarding place that hold a legal permit.
- (2) Every holder of permit or every owner of processed wood who is to transport processed wood for domestic use and export shall apply for SKSHH by enclosing:
 - a. LMKB and/or LMHHOK;
 - b. Plan for the transport of processed wood according to DHH;
 - c. Original identity of the applicant (individual);
 - d. Evidence of the ownership of processed wood for the owner who will transport again the processed wood to the industry.
- (3) The application for SKSHH shall be filed to P2SKSHH, with a copy addressed to the Head of the Regental/Municipal Office.
- (4) The procedure of issuing SKSHH to processed wood shall be as follows:
 - a. in no more than 1 (one) day after receiving the application for SKSHH, P2SKSHH shall physically inspect the processed wood according to the procedure as meant in Attachment III;
 - b. before conducting the physical inspection, P2SKSHH shall first inspect DHH to see to it that the processed wood contained in DHH originates from the stocks specified in LMHHOK;
 - c. in inspecting processed wood, P2SKSHH may be assisted by 1 (one) person or more according to the provision in force;
 - d. based on the official report of physical inspection of the processed wood as meant in letter a, P2SKSHH shall soon sign DHH and issue SKSHH;
 - e. if the transport means cannot get closer to the

loading place in the TPK-industry so that the processed wood must be loaded onto the transport means in stages and/or for more than 1 (one) day, the processed wood can be loaded onto the transport means after P2SKSHH has signed the official report of inspection (BAP) and DHH and later BAP and DHH serve as supporting documents for loading the processed wood in stages before SKSHH is issued;

- f. SKSHH as meant in letter e is issued after all the processed wood contained in DHH has been loaded onto the transport means.

- (5) After SKSHH has been issued, P2SKSHH transfers SKSHH to the applicant, along with an official report of handover.

Part Four

The Making of LMKB, LMHHOK and UMHHOBK

Article 31

- (1) The holder of primary forest wood industry permit shall make LMKB every month using Form DK.A.106a/DK.A.106b (Attachment I.F.1/I.F.2). LMHHOK using Form DK.A.107a/DK.A.107b (Attachment I.G.1/I.G.2) or LMHHOBK using Form DK.A.106c (Attachment I.F.3).
- (2) The procedure of making LMKB shall follow provisions in Article 22 paragraph (2) and LMKB must be made in 4 (four) copies as follows:
 - a. the 1st sheet for the Regental/Municipal Office;
 - b. the 2nd sheet for the Provincial Office;
 - c. the 3rd sheet for P3KB; and
 - d. the 3rd sheet as the archive of the holder of industrial business permit.
- (3) The procedure of filling out LMHHOK shall be as follows:
 - a. The column "opening stocks of raw materials" shall be filled with the types of processed forest products, including the units of quantity and units of volume/weight of each processed forest product, which constitute the closing stocks in the previous month;

- b. The column "acquisition of raw materials" shall be filled with the acquisition of raw materials according to the types of processed forest products, including units of quantity and units of volume/weight respectively;
 - c. The column "use of raw materials" shall be filled with the use of raw materials according to the types of processed forest products, including units of quantity and units of volume/weight respectively;
 - d. The column "closing stocks of raw materials" shall be filled with the result of the calculation of opening stocks plus the acquisition of raw materials in the ongoing month minus the use of raw materials;
 - e. The column "opening stocks of processed forest products" shall be filled with the types, units and volume of processed forest products;
 - f. The column "production of processed forest products" shall be filled with the production of processed forest products in the ongoing month;
 - g. The column "use/sale of processed forest products" shall be filled with the use/sale of processed forest products in the ongoing month;
 - h. The column "closing stocks of processed forest products" shall be filled with the result of the calculation of opening stocks plus the production of processed forest products in the ongoing month minus the use/sale of processed forest products.
- (4) LMHHOK shall be made in 4 (four) copies as follows:
- a. the 1st sheet for the Regental/Municipal Office;
 - b. the 2nd sheet for the Provincial Office;
 - c. the 3rd sheet for the P3KG/P3KL; and
 - d. the 4th sheet for the archive of the holder of the industrial permit;
- (5) The holder of the industrial permit as meant in paragraph (1) shall send the 1st and 2nd sheets of LMKB, LMHHOK or LMHHOBK in no more than every 5th of ensuing month;
- (6) The procedure of filling out LMHHOBK shall follow the provisions as meant in paragraph (3) and

LMHHOBK shall be made in 4 (four) copies as follows:

- a. the 1st sheet for the Regental/Municipal Office;
- b. the 2nd sheet for the Provincial Office;
- c. the 3rd sheet for the P3HHBK; and
- d. the 4th sheet for the archive of the holder of industrial permit.

CHAPTER V

THE TREATMENT OF SKSHH EXISTING IN THE BUYER OF FOREST PRODUCTS OTHER THAN INDUSTRY

Article 32

- (1) The Regental/Municipal Forestry Office shall post its forestry officers who have capacity and knowledge in the field of the management of forest products in each subdistrict to deactivate and administer the 1st sheets of SKSHH.
- (2) If the buyer of forest products in the interest of other than the forest product processing industry buys forest products from the legal holder of permit, the 1st and 2nd sheets of SKSHH/DHH accompanying the transportation of the forest products shall be reported to the appointed forestry officer in the subdistrict or the nearby forestry agency for deactivating in no more than 2 (two) days after the forest products have been received.
- (3) After the appointed forestry officer has deactivated the 1st and 2nd sheets of SKSHH/DHH and signed SKSHH on the available column, the 2nd sheet of SKSHH/DHH shall be returned to the owner of forest products.
- (4) The collection of the 1st sheets of SKSHH shall be equipped with a register of the 1st sheets of SKSHH and the register shall later be recorded in the list of the 1st sheets of SKSHH received, using Form DK.B.104d (Attachment I.L.4).
- (5) The collection of the 1st sheets of SKSHH as meant in paragraph (4) shall be sent to the Head of the Regental/Municipal Office in the middle or at the end of every month and at the end of the same month, shall be sent to the Head of the Provincial Office.

CHAPTER VI

FOREST PRODUCTS FROM SMALLHOLDER FORESTS,
FOREST PRODUCTS FROM AUCTION,
FOREST PRODUCTS FROM EXPORTS/IMPORTS AND
FOREST PRODUCTS IN GENERAL PORTS

Part One

Forest Products from Smallholder Forests

Article 33

- (1) Anybody or corporate body that possesses smallholder forest and intends to cut down trees shall report a plan for felling to the relevant village head or the equivalent officer appointed by the Head of the Provincial Office, with a copy addressed to the Head of the Regental/Municipal Office.
- (2) The plan for felling as meant in paragraph (1) shall be complete with :
 - a. evidence of the ownership of title deeds (copy of title deeds);
 - b. map of the area of the smallholder forest covering the location, area and borders with the knowledge of the local subdistrict head;
 - c. potential stands of smallholder forests.
- (3) Further provisions on the management of forest products from smallholder forests are to be laid down in the decision of the Head of the Provincial Office concerned with due observance of this Decree, on the stipulation that:
 - a. the trees that are to be cut down are really found in the smallholder forest according to the legal evidence of ownership;
 - b. the land is not in dispute;
 - c. the document used in the transport of forest product is SKSHH stamped with KR (Kayu Rakyat/ Smallholder Wood);
 - d. The wood to which SKSHH will be issued for transport/sale to the wood processing industry shall be measured by the forestry officer who has qualifications as a forest product examiner (PHH);
 - e. The result of check shall be put on the list of forest products stamped with KR (DHH-KR), based on the existing procedure and signed by the relevant officer as the basis for the issuance of SKSHH by P2SKSHH.

Article 34

Provisions on the certificate of origin (SKAU) are to be laid down in a separate decree of the Minister.

Article 35

- (1) The owner of smallholder forest including the owner of plantation who uses logs from land clearing shall report the felling of wood and the transportation of wood using Form LMKB.
- (2) The report as meant in paragraph (1) shall be submitted to the Head of the Regental/Municipal Office, with a copy addressed to the Head of the Provincial Office.

Part Two

Export and Import of Forest Products

Article 36

- (1) In exporting forest products including sawn timber, chip/pulp, plywood, veneer, laminated veneer lumber, round rattan, polished rattan, rattan bark and rattan heart transported to the port of loading, the exporter shall secure SKSHH.
- (2) SKSHH as meant in paragraph (1) is used as the basis for completing the export notification form (PEB).
- (3) The 1st and 2nd sheets of SKSHH shall be submitted to the officer of the local Customs and Excise Office for deactivating and later at the end of every month the relevant exporter shall submit the 1st sheet of SKSHH to the Provincial Office or the Regental/Municipal Office where the Customs and Excise Office is located.
- (4) The 2nd sheet of SKSHH shall be submitted to the Customs and Excise Office as evidence that the forest products exported are legal.
- (5) All corporate bodies or individuals that export forest products shall report the realization of exports to the Regental/Municipal Office every month, with copies addressed to the Director General and the Head of the Provincial Office no later than the 5th of the ensuing month.

- (6) Especially for the export of sawn timber and original round rattan/polished round rattan, the exporter shall hold a recommendation of fulfilling all export requirements according to the provisions in force.

Article 37

- (1) Any corporate body or individual that imports logs and sawn timber shall send a report to P3KB/P3KG in the port or the wood processing industry, complete with import documents in the form of manifest or B/L for information.
- (2) If the wood as meant in paragraph (1) is transported in stages or all at once from the general port to the wood processing industry, the wood shall be complete with a certificate issued by the owner of the wood by mentioning the quantity and type of wood transported, and a copy of import document.

Part Three

Forest Products from Auction

Article 38

- (1) The Head of the Regental/Municipal Office or the Head of the Provincial Office where the forest products which will be auctioned are located shall set the floor/limit prices of the forest products.
- (2) The floor/limit prices of forest products as meant in paragraph (1) shall be set jointly by the team consisting of elements from the Regental/Municipal/Provincial Office, and the Trade and Industry Office.
- (3) The Director General shall stipulate the procedure of setting the floor/limit price of forest products.
- (4) All corporate bodies or individuals that have been declared as the winners of forest product auction by the authorized agency shall report a summary of origi-

nal auction in no more than 2 (two) work days after the winners of forest product auction have been announced, to the Regental/Municipal Office or the Provincial Office for the Regency/Municipality that does not have an agency in charge of forestry affairs.

- (5) The forest products as meant in paragraph (4), before being transported or sold or used personally, shall be inspected by a qualified forestry officer at least as PHH according to the procedure as meant in Attachment III, to verify the quantity of forest products to the summary of auction.
- (6) If based on the result of the inspection as meant in paragraph (5) the type, size and volume/weight of forest products are different from those stated in the summary of auction, the forest products that do not accord with the summary of auction shall be declared as illegal forest products and shall be processed according to the law in force.
- (7) The auctioned forest products in the form of logs shall be given "DK stamp" after being inspected.
- (8) The model and use of the DK stamp as meant in paragraph (7) shall respectively be determined by the Regental/Municipal Office or the Provincial Office for the Regency/Municipality that does not have an agency in charge of forestry affairs.
- (9) The transport, control or ownership of forest products from auction shall be complete with SKSHH/DHH issued by P2SKSHH.

PART FOUR (TO BE CONTINUED)

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THE MANAGEMENT OF FOREST PRODUCTS

(Decree of the Minister of Forestry No. 126/KPTS-II/2003 dated April 4, 2003)

[Continued from Business News No. 7256 - 7257 pages 27A - 32A]

Part Four

Forest Products in General Ports

Article 39

- (1) P3KB/P3KG/P3HHBK shall be deployed to the general ports where forest products are loaded and unloaded to check the forest products.
- (2) The 1st and 2nd sheets of SKSHH for the transport of forest products to the general port or other destination but unloaded in the general port shall be reported in no more than 1 (one) work day to P3KB/P3KG/P3KL/P3HHBK in the port for deactivating at that time by giving "ALREADY DEACTIVATED" stamp on the column SKSHH and the date of deactivating the document.

Article 40

- (1) The transport of wood to the general port, after SKSHH is deactivated as meant in Article 39 paragraph (2), shall be checked to verify the document to the physical quantity of wood, through the procedure of check as meant in Attachment III, and the 2nd sheet of SKSHH that has been deactivated shall be returned to the owner of the wood.
- (2) If the result of the check does not accord with SKSHH in terms of type and/or number of stems/bundles/chips and/or diameter/length/thickness/width or volume/weight beyond the tolerable limit, P3KB/P3KG/P3KL/P3HHBK shall immediately make an official report of inspection for processing according to the law in force.
- (3) P3KB/P3KG/P3KL/P3HHBK shall make a SKSHH registry book and report a recapitulation of SKSHH and the 1st sheets of SKSHH in the middle and at the end of every month to the Head of the Provincial Office using Form DK.B.104d (Attachment I.L.4).

Article 41

- (1) For the transport of forest products loaded in the general port, after SKSHH is deactivated as meant in Article 39 paragraph (2), the document used for the further transport of forest products to the destination as meant in SKSHH shall be DPP.
- (2) The use of DPP as meant in paragraph (1) shall only apply to the Regency/Municipality where the port is located, while the transport of the forest products out of the Regency/Municipality shall constantly use SKSHH.
- (3) DPP shall be issued by the officer of the company as the owner of forest products appointed by the manager of the company after securing approval from the Head of the Provincial Office.
- (4) The procedure of issuing DPP shall be as follows:
 - a. DPP is issued using Form DK.8.202 (Attachment I.H.3) and is completed using a typewriter;

- b. DPP can only be issued to transport forest products according to the destination contained in SKSHH;
 - c. DPP is issued consecutively to a party of forest products per SKSHH using numbers starting from 1;
 - d. DPP received in the destination of SKSHH must be reported to P3KB/P3KG/P3KL/P3HHBK for deactivating and used as the basis for the verification of DPP to SKSHH;
 - e. After the document and physical quantity are verified, the 1st and 2nd sheets of SKSHH and DPP shall be signed by P3KB/P3KG/P3KL/P3HHBK in the available space.
 - f. The issuer of DPP shall make a register to record the receipt of forest products for each transport means by mentioning the name of transport means, serial number of SKSHH, the origin of forest products, volume/type of forest products and the destination of the transportation.
- (5) For the transport of forest products using land transport means through a ferry port or a general port without a change in transport means, no DPP is issued and SKSHH will be valid until the place of destination, however, SKSHH must be reported to P3KB/P3KG/P3KL/P3HHBK to give a stamp on the back page of the 1st sheet of SKSHH.
 - (6) If the validity of SKSHH as meant in paragraph (5) has expired, P3KB/P3KG/P3KL/P3HHBK shall inspect the physical quantity of forest products and if it has accorded with the provisions in force, the SKSHH for the forest products can be extended.

CHAPTER VII

TASKS, QUALIFICATIONS AND PROCEDURE OF APPOINTING AND DISCHARGING P2LHP, P2SKSHH, AND P3KB/P3KG/P3KL/P3HHBK

Part One

Main Tasks, Functions and Responsibilities

Article 42

- (1) Main Tasks of P2LHP:
 - a. Checking whether LHP have been completed correctly;

b. Conducting

- b. Conducting the physical inspection of forest products in connection with forest products given LHP;
- c. Checking the result of felling in the relevant location;
- d. Validating LHP.

(2) P2LHP shall have function to control the felling/col-
lection of forest products in the locations stipulated
based on the legal permits.

(3) P2LHP shall directly be responsible to the Head of
the Regental/Municipal Office.

Article 43

(1) The main tasks of P2SKSHH:

- a. Receiving applications from the holders of per-
mits or individuals for SKSHH according to the
law in force;
- b. Conducting a physical inspection of forest prod-
ucts in connection with an application for a per-
mit to transport the forest products;
- c. Making a register to record the receipt, stock and
issuance of SKSHH;
- d. Making a report on the issuance of SKSHH.

(2) P2SKSHH shall function as the party responsible for
issuing SKSHH in controlling the circulation of forest
products to ensure that the forest products in circu-
lation will originate from legal permits.

(3) P2SKSHH that come from the Provincial Office shall
directly be responsible to the Head of the Provincial
Office, while P2SKSHH that come from the Regental/
Municipal Office shall be responsible to the Head of
the Regental/Municipal Office.

Article 44

(1) The main tasks of P3KB/P3KG/P3KL/P3HHBK:

- a. Making a register for the receipt of forest prod-
ucts;
- b. Conducting an administrative check of SKSHH,
DPP, FA-BBS or FA-Mangrove;
- c. Conducting a physical inspection of forest prod-
ucts that have been received or will be transported
according to the provision in force;

- d. Making an official report of inspection in case of
forest products received without transport docu-
ments and informing the superior of the matter
to take security measures and process the case
according to the law in force.

(2) P3KB/P3KG/P3KL/P3HHBK shall also have tasks and
responsibilities for the receipt of forest products in
the place of destination in the circulation of forest
products so that the forest products received directly
in the wood processing industry or through the gen-
eral port will really originate from the legal permits.

(3) P3KB/P3KG/P3KL/P3HHBK shall directly be respon-
sible to the Head of the Provincial Office and/or the
Head of the Regental/Municipal Office.

Part Two

Qualifications and Procedure of Appointing P2LHP,
P2LP-HHBK, P2SKSHH and P3KB/P3KG/P3KL/P3HHBK

Article 45

(1) P2LHP, P2LP-HHBK, P2SKSHH and P3KB/P3KG/P3KL/
P3HHBK shall meet the following qualifications:

- a. Forestry officer with the Regental/Municipal Of-
fice or Provincial Office;
- b. Possessing at least a certificate of forest product
examiner (PHH) and no more than 1 (one) year
after being appointed P2LHP, P2LP-HHBK,
P2SKSHH and P3KB/P3KG/P3KL/P3HHBK, the rel-
evant forestry officer shall hold a certificate of
forest product controller;
- c. Being appointed a forest product examiner and
having a forest product examiner card according
to the forest product commodity from the Head
of BSPHH under the name of the Director Gen-
eral;
- d. Having high dedication, good conduct, being hon-
est and responsible.

(2) The Head of BSPHH shall at least once every year
make a list of PHH that meet qualifications and per-
formance worthiness used as the basis for the ap-
pointment of officials/officers in the management of
forest products.

(3) The procedure of appointing P2LHP, P2SKSHH and P3KB/P3KG/P3KI/P3HHBK shall be as follows:

- a. The Head of the Provincial Office shall stipulate the personnel of P2LHP, P2SKSHH, and P3KB/P3KG/P3KL/P3HHBK by a decision after coordinating with the relevant agencies in the Regency/Municipality and the Province by considering the list of names stipulated by the Head of BSPHH as meant in paragraph (2);
- b. The decision as meant in letter a contains among others the names, positions, ranks, addresses of the officials/officers and working territories where they are appointed;
- c. The decision as meant in letter a shall be accompanied by a list of specimen signatures from the officers appointed;
- d. P2LHP/P2SKSHH/P3KB/P3KL/P3HHBK shall be given register numbers for each of the officials/officers, as can be observed from the example as meant in Article 15 paragraph (5).

(4) A copy of the decision as meant in paragraph (3) letter a shall be submitted to the Director General, while for the appointment of P2SKSHH, copies of the decision shall also be submitted to the Heads of the Provincial Office across Indonesia, by enclosing specimen signatures of all P2SKSHH appointed.

(5) After receiving a copy of the decision on the appointment of P2SKSHH, the Provincial Office shall convey it to the Head of the Regental/Municipal Office within the Province concerned.

(6) After receiving a copy as meant in paragraph (4) the Regental/Municipal Office shall convey it later to the forestry officers posted in the port and the wood processing industry.

Part Three

The Procedure of Discharging P2LHP, P2SKSHH, or P3KB/P3KG/P3KL/P3HHBK

Article 46

(1) P2LHP, P2SKSHH, or P3KB/P3KG/P3KL/P3HHBK shall be discharged because of:

- a. being dismissed as forestry officer because of re-

signing or being discharged; and resigning as the employee of company;

- b. tour of duty or being removed to other place;
- c. committing violations;
- d. failing to meet the qualifications as meant in Article 45 paragraph (1) letter b.

(2) The dismissal of P2LHP, P2LP-HHBK, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK as meant in paragraph (1) letters a, b and d shall be done by the Head of the Provincial Office based on the recommendation from the Head of the Regental/Municipal Office, complete with:

- a. a copy of the decision on dismissal as forestry officer; or
- b. a copy of the decision on tour of duty to other place for forestry officers.

(3) The Head of the Provincial Office shall send copies of decision on the dismissal of P2LHP, P2LP-HHBK, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK to the Director General, the Heads of Provincial Offices across Indonesia, the Head of the Regental/Municipal Office and the Head of BSPHH concerned.

(4) If P2LHP, P2LP-HHBK, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK have already been dismissed as meant in paragraph (3), the Head of BSPHH under the name of the Director General shall soon lift the certificate of forest product examination from the relevant officers and issue a decision on the dismissal.

Article 47

(1) P2LHP, P2LP-HHBK, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK is dismissed for committing violations as meant in Article 46 paragraph (1) letter c if :

- a. P2LHP or P2LP-HHBK validates LHP/LP-forest products; validates LHP-LP not according to the physical quantity of forest products; validates LHP without conducting physical inspection according to the provisions in force; manipulates the result of administrative inspection and/or physical inspection or fails to make/complete the register;
- b. P2SKSHH does not conduct physical inspection according to the provision in force, issues another

SKSHH or blank SKSHH, completes the 1st and 2nd sheets of SKSHH not according to the contents of the 3rd, etc. sheets of SKSHH, issues SKSHH for forest products for which PSDH and/or DR are believed to have not been paid by the holder of IUPHHK, IUPHHBK, IPHHK, IPHHBK or the holder of other legal permit, or conceals Form SKSHH deliberately or undeliberately.

c. P3KB/P3KG/P3KL/P3HHBK deactivates SKSHH without conducting a physical inspection of forest products, endorses the receipt of forest products without documents, does not make a register, or conceals the 1st and 2nd sheets of SKSHH.

(2) The Head of the Provincial Office shall decide the dismissal of P2LHP, P2L-HHBK, P2SKSHH, P3KB/P3KG/P3KL/P3HHBK as meant in paragraph (1) based on the result of inspection laid down in an official report of inspection by the team of inspectors.

(3) The team of inspectors as meant in paragraph (2) shall be formed by the Head of the Provincial Office.

(4) Before being dismissed for violation in the form of not making/completing the register as meant paragraph (1), P2LHP, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK shall be given 1 (one) warning.

(5) If after receiving the warning as meant in paragraph (4) P2LHP, P2LP-HHBK, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK still commits the same violation, the Head of the Provincial Office shall issue a decision on the dismissal of the officer concerned with a copy addressed to the Head of BSPHH.

(6) Based on the copy of the decision on the dismissal of P2LHP, P2LP-HHBK, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK as meant in paragraph (5), the Head of BSPHH on behalf of the Director General shall soon revoke PHH card from the officer and issue decision on the dismissal of the officer concerned.

(7) Besides being dismissed P2LHP, P2LP-HHBK, P2SKSHH or P3KB/P3KG/P3KL/P3HHBK who commits violation may also be subject to sanction based on the law in force.

CHAPTER VIII

THE STANDARDIZATION OF FORMS, CODES AND LEGALITY MARKS

Part One

Model and Type of Form

Article 48

(1) Forms used in the management of forest products consist of 2 (two) models, namely DK.A and DK.B. (DK is the abbreviation of the Ministry of Forestry).

(2) Form DK.A is the form stipulated by the Ministry and printed/made by a third party/permit holder, consisting of:

- a. Recapitulation of reports on the result of cruising (LHC);
- b. Measurement book;
- c. Manifest (DP);
- d. List of inspection and measurement of forest products (DPPHH);
- e. Report on the result of felling;
- f. Report on the production of non-wood forest products (LP-HHBK);
- g. List of forest products (DHH);
- h. Report on the change of forest products (LMHH);
- i. Report on the change of processed forest products (LMHHO);
- j. Invoice for the transport of chip materials (FA-BBS)/invoice for the transport of mangrove (FA-Mangrove).

(3) Form DK.B is the form stipulated and printed by the Government :

- a. Document Form
 - 1) Certificate of validating forest products (SKSHH) issued by the Ministry of Forestry;
 - 2) Substitute manifest (DPP) issued by the Provincial Office.
- b. Reporting Form
 - 1) Official report of inspection (BAP) issued by the Regental/Municipal Office;
 - 2) Recapitulation of the inspection of forest products (RPHH) issued by the Regental/Municipal Office;
 - 3) List of reports of felling (DLHP) issued by the Regental/Municipal Office;

- 4) Recapitulation of the issuance of SKSHH issued by the Provincial Office/Regental/Municipal Office;
- 5) List of the 1st sheets of SKSHH received in the place of destination issued by the Provincial Office/Regental/Municipal Office;
- 6) List of reports on the transport of forest products (DLAHH) issued by the Regental/Municipal Office;
- 7) List of recapitulation of the inspection of forest products (DRPHH) issued by the Regental/Municipal Office;
- 8) List of reports on the production of processed forest products issued by the Regental/Municipal Office;
- 9) Consolidated list of reports on the result of felling (DGLHP) issued by the Provincial Office;
- 10) Consolidated list of reports on the transport of forest products (DGLAHH) issued by the Provincial Office;
- 11) Consolidated list of recapitulation of the inspection of forest products (DGRPHH) issued by the Provincial Office;
- 12) Consolidated list of reports on the production of processed forest products (DGLPHHO) issued by the Provincial Office;
- 13) Annual recapitulation of the issuance of SKSHH issued by the Provincial Office.

(4) If considered necessary, the format of Form FA-BBS/FA-Mangrove, SKSHH and DPP can be changed according to the developments of the existing condition.

(5) The change in the format of forms as meant in paragraph (4) shall be made by the Director General.

Part Two
C o d e s
Article 49

(1) The standard codes of provinces, regencies/municipalities in the management of forest products shall follow Attachment VIII.

(2) In the case of the expansion of a province, regency or municipality, the following code of province, regency/municipality shall use the code which follows the last code of the province, regency/municipality, and so on as meant in Attachment VIII.

(3) The standardization of the codes of forms used in the management of forest products consist of:

- a. the first sequence of form number uses figure 1 that indicates a reporting document, such as DK A, 101, DKB 101, etc.
- b. the first sequence of form number uses figure 2 that indicates document form, such as DKA. 201, DKB. 201 and so forth.

(4) The provisions on sequence numbers of SKSHH, DPP, FA-BBS and FA-Mangrove shall be as follows:

- a. the serial numbers of form SKSHH are given by the Director General by giving numerical codes of printing and seven Latin digits;
- b. the serial numbers of form DPP are given by the Head of the Provincial Office;
- c. the serial numbers of form DPP are given by putting the code of province, and the serial number consisting of six Latin digits stamped by the Provincial Office;
- d. the serial numbers of form FA-BBS are given by the Directorate General by putting a code/abbreviation of the company and the serial number consisting of six Latin digits;
- e. the serial numbers of form FA-Mangrove are given by the Head of the Provincial Office;
- f. the serial numbers of form FA-Mangrove are given by putting codes of regency/municipality and serial numbers consisting of 5 (five) Latin digits stamped by the Regental/Municipal Office.

(5) The model, size, and code of DK stamp shall be as follows:

- a. in the form of circle with a diameter of 5 (five) cm;
- b. the circle is divided into three parts with the following sizes:
 - 1) top and bottom parts are 1.75 cm each;
 - 2) central part is 1.5 cm;

- 3) first part (above) is the code of province;
- 4) second part (center) is the code of Regency/ Municipality;
- 5) third part is the sequence number of DK stamp which on the other hand constitutes the company's identification card;
- c. The DK stamp is made of steel/iron of high quality;
- d. The example of DK stamp is as attached (see Attachment V).

CHAPTER IX

THE PROCUREMENT AND DISTRIBUTION OF FORMS IN THE MANAGEMENT OF FOREST PRODUCTS AND THE LEGALITY MARK OF FOREST PRODUCTS

Part One

The Procurement of Forms

Article 50

- (1) The procurement of forms used in the management of forest products shall follow the following procedure:
 - a. Manifest form is issued by the permit holder;
 - b. LHP-KB/LHP-KBK/LHP-Mangrove/LP-HHBK forms are printed and copied by each corporate body or individual who holds a permit to product forest products according to the need;
 - c. SKSHH forms are issued by the Director General and are printed in the printing company appointed by the Minister according to the regulation in force;
 - d. DPP forms are issued by the Provincial Office and are printed in the printing company appointed by the Provincial Office according to the regulation in force;
 - e. FA-BBS forms are issued by each pulp industry permit holder and are printed in the printing company with approval from the Director General;
 - f. FA-Mangrove forms are issued by each permit holder and are printed in the printing company appointed according to the regulation in force.
- (2) DK stamps are procured by each Provincial Office at the request of the Regental/Municipal Office, with the number of stamps being equal to the annual plan for log productions.

- (3) The DK stamps are distributed among :

- a. The Provincial Office in distributing DK stamps among Regental/Municipal Offices so that they can be adjusted to the planned need based on the log production target and the number of P2LHP as the holder of DK stamps;
- b. The transfer of DK stamps shall be complete with an official report of transfer made by the Provincial Office and the Regental/Municipal Office.

- (4) The Regental/Municipal Office shall further distribute the said DK stamps among P2LHP by making an official report of the handover of DK stamps between the Regental/Municipal Office and P2LHP.

Part Two

The Planning and the Distribution of Forest Product Manifest

Article 51

- (1) The Provincial Office shall make a plan for SKSHH document needs for 1 (one) year based on the log production target and KBK/Mangrove from the legal permits, processed product production target, non-wood product production target, and the type of transport means.
- (2) The plan for the SKSHH document needs as meant in paragraph (1) shall be handed over to the Director General no later than early in November of the ongoing year.
- (3) The distribution of SKSHH documents from the Ministry is to be stipulated by the Director General.
- (4) In the provincial level, the Head of the Provincial Office is given tasks and responsibilities to control the distribution and use of SKSHH, DPP and FA-BBS forms.

Part Three

The Management, Keeping, and Abolishment of Forest Product Manifests

Article 52

- (1) The management of forms used in the management

of forest products shall follow the following procedure:

- a. The Director General shall appoint personnel responsible for the management of SKSHH forms and FA-BBS forms in the Directorate General and the procedure of management;
- b. Each holder of IUPHHK/IUPHHBK/IPHHK/IPHHBK and ILS shall hand over LHP-KB/LHP-KBK/LHP-Mangrove/LP-HHBK/FA-Mangrove to the Regental/Municipal Office for registration;
- c. The registration as meant in letter b is conducted by the Regental/Municipal Office by giving numerical orders to each permit holder, type of form, the abbreviation of permit holder, the abbreviation of the name of the Regental/Municipal Office, month, year and signature and stamp of the Regental/Municipal Office, on the upper right hand corner of the front page of each page;
- d. The Head of the Provincial Office/the Regental/Municipal Office shall appoint an official in charge of managing SKSHH, DPP, FA-BBS/FA-Mangrove who is responsible for the receipt, distribution, use and stock.

(2) SKSHH, DPP, FA-BBS and FA-Mangrove forms shall be kept in such a following way:

- a. SKSHH, DPP, FA-BBS and FA-Mangrove forms existing at the Provincial Office/Regental/Municipal Office and officials/officers shall be kept in places that are free from such disturbances as theft or damage because of humidity, insect, fungus and fire.
- b. The officer in charge of keeping SKSHH, DPP, FA-BBS and FA-Mangrove Forms shall make a list containing the quantity received, the quantity transferred/used and the stock (using Form DK.B.104a according to Attachment I.1.1) and be responsible for anything that inflicts losses to the state, otherwise the officer may be subject to sanction according to the law in force.

(3) The procedure of abolishing SKSHH, DPP, FA-BBS and FA-Mangrove Forms shall be as follows:

- a. Damage to SKSHH, DPP, FA-BBS and FA-Man-

grove Forms at the time of being delivered kept as a result of being eaten by termite, misprinted, and so forth must be equipped with an official report of cancellation by the officer in charge of handling the forms with the knowledge of the Head of the Provincial Office and the Head of the Regental/Municipal Office. The damaged SKSHH form is given an "INVALID" mark on the upper right hand corner of the 1st and 2nd sheets by the officer in charge of handling the forms.

- b. The mistake made by the official/officer in completing the SKSHH, DPP, FA-BBS or FA-Mangrove Forms must be equipped with an official report of cancellation using the format according to Attachment VI a and must be deactivated by giving an "INVALID" mark to the upper right hand corner of the 1st and 2nd sheets.
- c. The official report of cancellation of SKSHH, DPP, FA-BBS and FA-Mangrove Forms due to a mistake in filling the forms shall be recorded in the register by the official/officer in charge of issuing the forms, reported and handed over to the officer in charge of managing the forms in each level of responsibility for using forms.
- d. The damaged SKSHH, DPP, FA-BBS and FA-Mangrove Forms that have been equipped with an official report of cancellation shall be recorded in the register by the officer in charge of managing the forms, reported and handed over to the Head of the Provincial Office at the end of every month or in each level of responsibility for using the forms, as the basis for abolition of the forms for destruction.
- e. The abolition of SKSHH form as meant in letter d shall be reported to the Director General to issue a seal of approval for the abolition and destruction of the form.
- f. The destruction of forms shall be made once every three months by the team of abolition formed by the Head of the Provincial Office, whose members consist of 1 (one) representative from the Provincial Office and 1 (one) representative from the police.

- g. The abolition of forms shall be equipped with an official report of abolition using the format as meant in Attachment VI.b and be recorded in the register by the officer in charge of managing forms and the Head of the Provincial Office shall report the result of abolition to the Director General.
- (4) The cancellation and abolition of SKSHH, DPP, FA-BBS and FA-Mangrove forms shall follow the following procedure :
- If the forms are lost at the time of being delivered or kept as a result of being stolen or dropped shall be reported by the officer in charge of managing the forms to the Head of the Regental/Municipal Office and to the police to make an official report of disappearance;
 - Based on the official report of disappearance from the police the matter shall be reported to the Head of the Provincial Office for cancellation.
 - Twice within 24 hours after receiving the official report of disappearance the Head of the Provincial Office shall immediately issue a decision on the cancellation of SKSHH, DPP, FA-BBS and FA-Mangrove forms and SKSHH forms shall be sent to the Heads of the Provincial Office across Indonesia with a copy addressed to the Director General;
 - If the forms as meant in letter a are found some time in the future, they must be handed over to the police for further investigation;
 - After the forms are returned by the police because the case has been settled and based on the court verdict the forms are seized in the interest of the state and the forms are no longer valid for the purpose of investigation and indictment, the forms shall be immediately sent to the Provincial Office for destruction according to the procedure as meant in paragraph (3) letter e.

CHAPTER X

REPORTING

Article 53

-)After receiving the 1st sheet of LHP-KB/LHP-KBK/LHP-Mangrove/LP-HHBK from the company/individual

the Head of the Regental/Municipal Office shall make DLHP-KB/DLHP-KBK/DLHP-Mangrove/DLP-HHBK every month using Forms DK.B.103a/DK.B.103b/DK.B.103c/DK.B.103d (Attachment I.K), in a maximum of 3 (three) copies which must be sent no later than the 15th of the same month to:

- 1st sheet, the Head of the Provincial Office;
- 2nd sheet, BSPHH;
- 3rd sheet, archive.

- (2) After receiving the 1st sheet of DLHP-KB/DLHP-KBK/DLHP-Mangrove/DLP-HHBK from the Regental/Municipal Office, the Head of the Provincial Office shall make DGLHP-KB/DGLHP-KBK/DGLHP-Mangrove/DGLP-HHBK every month using Form DK.B.108a/DK.B.108b/DK.B.108c/DK.B.108d (Attachment I.P), in 2 (two) copies which must be sent no later than the 20th of the same month to:
- 1st sheet, the Director General;
 - 2nd sheet, archive.

- (3) The report of receipt, distribution and use of SKSHH, DPP, FA-BBS and FA-Mangrove forms shall follow the following procedure:

- The official/officer in charge of issuing SKSHH, DPP and FA-BBS forms at the end of the relevant month shall report the receipt, issuance and stock of transport documents using Form DK.B.104b (Attachment I.L.2) and the list of the receipt of SKSHH, DPP, FA-BBS or FA-Mangrove using Form DK.B.104c (Attachment I.L.3) to the agency delivering the documents.
- The Regental/Municipal Office every 5th of the ensuing month shall make a report of receipt, delivery and stock of forms and issuance of SKSHH, DPP, FA-BBS or FA-Mangrove for delivery to the Provincial Office using Form DK.B.104a (attachment I.L.1) and deliver a list of issuance of SKSHH, DPP, FA-BBS or FA-Mangrove using Form DK.B.104c (Attachment I.L.3);
- Every quarter the Provincial Office shall make a report of receipt, distribution, delivery and stock of SKSHH, DPP, FA-BBS and FA-Mangrove Forms to the Director General using Form DK.B.104a

- (Attachment I.L.1) and report the list of the issuance of SKSHH, DPP, FA-BBS and FA-Mangrove Forms using Form DK.B.104c (Attachment I.L.3);
- d. At the start of every ensuing year or no later than January 31st, the Head of the Provincial Office shall report the recapitulation of issuance, distribution, and stock of SKSHH, DPP, FA-BBS and FA-Mangrove Forms to the Director General using Form DK.B.112 (Attachment I.T) in 2 (two) copies as follows:
- 1) 1st sheet, the Director General;
 - 2) 2nd sheet, archive.
- (4) After receiving the recapitulation of the issuance of forms from the official/officer in charge of issuing SKSHH, DPP, FA-BBS or FA-Mangrove forms, every month the Head of the Regental/Municipal Office shall make a list of reports of the transport of domestic forest products (DLAHH) using Form DK.B.105a (Attachment I.M.1) or DLAHH-export using Form DK.B.105b (Attachment I.M.2) in 3 (three) copies which are sent no later than the 5th of the same month to :
- a. 1st sheet, the Head of the Provincial Office;
 - b. 2nd sheet, the Head of BSPHH;
 - c. 3rd sheet, archive.
- (5) After receiving DLAHH from the Head of the Regental Office, every month the Head of the Provincial Office shall make a consolidated list of reports of the transport of domestic forest products (DGLAHH) using Form DK.B.109a (Attachment I.Q.1) or DGLAHH-Export using Form DK.B.109b (Attachment I.Q.2) in 2 (two) copies which are sent no later than the 10th of the same month to:
- a. 1st sheet, the Director General;
 - b. 2nd sheet, archive.
- (6) After conducting an inspection, every month P3KB/P3KG/P3KL/P3HHBK in the industry or the intermediary TPK or the hoarding place shall make a recapitulation of the inspection of forest products (RPHH) using Form DK.B.102 (Attachment I.1) in 3 (three) copies which are sent to:
- a. 1st sheet, the Head of the Regental/Municipal Office;
 - b. 2nd sheet, the local BSPHH; and
 - c. 3rd sheet, archive of P3KB/P3KG/P3KL/P3HHBK.
- (7) After receiving the 1st sheet of RPKB/RPKG/RPKL/RPHHBK, every month the Head of the Regental/Municipal Office shall make a recapitulation of the inspection of forest products (DRPHH) using Form DK.B.106 (Attachment I.N) in 3 (three) copies which are sent no later than the 5th of the same month to:
- a. 1st sheet, the Head of the Provincial Office;
 - b. 2nd sheet, BSPHH; and
 - c. 3rd sheet, archive.
- (8) After receiving DRPHH, every month the Head of the Provincial Office shall make a consolidated list of the recapitulation of the inspection of forest products (DGRPHH) using Form DK.8.110 (Attachment I.R) in 2 (two) copies which are sent no later than the 10th of the same month to:
- a. 1st sheet, the Director General;
 - b. 2nd sheet, archive.
- (9) After receiving the 1st sheet of LMHH from the permit holder, every month the Head of the Regental/Municipal Office shall make a list of reports of the production of processed wood forest product (DLPHHO-K) using Form DK.B.107a (Attachment I.O.1) or a list of reports of the production of processed non-wood forest products (DLPHHO-BK) using Form DK.B.107b (Attachment I.O.2) in 3 (three) copies which are sent no later than the 5th of the same month to :
- a. 1st sheet, the Head of the Provincial Office;
 - b. 2nd sheet, BSPHH; and
 - c. 3rd sheet, archive.
- (10) After receiving DLPHHO-K or DPLHHO-BK from the Head of the Regental/Municipal Office, every month the Head of the Provincial Office shall make a consolidated list of reports of the production of processed wood forest products (DGLPHHO-K) using Form DK.B.111a (Attachment 1.5.1) and a consolidated list of reports of the production of processed non-wood forest products (DGLPHHO-BK) using