

**STIPULATION OF THE FOREST DEVELOPMENT FINANCING BOARD WITHIN
THE MINISTRY OF FORESTRY AS A GOVERNMENT INSTITUTION APPLYING
FINANCIAL MANAGEMENT MODEL OF PUBLIC SERVICE AGENCY**
(Decree of the Minister of Finance No. 137/KMK.05/2007 dated March 1, 2007)

THE MINISTER OF FINANCE,

Considering:

- a. that pursuant to the provision of Article 5 of Government Regulation No. 23/2005 on Financial Management of Public Service Agency, the government institutions already fulfilling substantial, technical and administrative requirements can be stipulated as government institutions applying the Financial Management Model of Public Service Agency (PPK-BLU) after securing approval of the Minister of Finance on the basis of recommendation of ministers/leaders of institutions;
- b. that the Minister of Finance through Letter No. S-74/MENHUT-VI/2007 dated February 8, 2007 submitted application so that the Forest Development Financing Board within the Ministry of Forestry can be stipulated as government institution applying PPK-BLU;
- c. that based on results of evaluation by the Evaluation Team of Recommendations about Application of PPK-BLU mentioned in Protocol No. BA-07/PB.6/2007 dated February 14, 2007, the Forest Development Financing Board within the Ministry of Forestry met the requirements for becoming a government institution applying PPK-BLU;
- d. that based on the considerations as meant in letters a, b and c, it is necessary to stipulate a decree of the Minister of Finance on Stipulation of the Forest Development Financing Board within the Ministry of Forestry as a Government Institution Applying Financial Management Model of Public Service Agency;

In view of:

1. Law No. 17/2003 on State Finance (Statute Book of 2003 No. 47, Supplement to Statute Book No. 4286);
2. Law No. 1/2004 on State Treasury (Statute Book of 2004 No. 5, Supplement to Statute Book No. 4355);

3. Government Regulation No. 23/2005 on Financial Management of Public Service Agency (Statute Book of 2005 No. 48, Supplement to Statute Book No. 4502);
4. Presidential Decree No. 20/P/2005;
5. Regulation of the Minister of Finance No. 07/PMK.02/2006 on Administrative Requirements in the Framework of Recommendation and Stipulation of Working Units of Government Institutions to Apply Financial Management Model of Public Service Agency;

D E C I D E S :

To stipulate :

THE REGULATION OF THE MINISTER OF FINANCE ON STIPULATION OF THE FOREST DEVELOPMENT FINANCING BOARD WITHIN THE MINISTRY OF FORESTRY AS A GOVERNMENT INSTITUTION APPLYING FINANCIAL MANAGEMENT MODEL OF PUBLIC SERVICE AGENCY

FIRST:

To stipulate the Forest Development Financing Board within the Ministry of Forestry as a government institution applying PPK-BLU under status of Gradual Public Service Agency (Gradual BLU).

SECOND:

The status of gradual BLU as meant in Dictum FIRST shall provide flexibility for the financial management in certain limits related to:

- a. the amount of fund, which can be managed directly from the operational income of the Forest Development Financing Board within the Ministry of Forestry is 80% (eighty percent);
- b. the management of inventory goods;
- c. the management of receivables, except depreciation of receivable; and
- d. the formulation of financial management standards, policies, systems and procedures.

THIRD:

The status of Gradual BLU as meant in Dictum FIRST shall not be provided with financial management flexibility in the case of:

1. investment management;
2. debt management;
3. goods/service management.

FOURTH:

The Forest Development Financing Board already having status of Gradual PPK-BLU shall:

- a. give up financial statement of 2007, already audited by independent auditor to the Minister of Finance in this case the Directorate General of Treasury in not later than March 31, 2008;
- b. formulate accountancy system covering the financial and cost accountancy system in not later than two years after the Forest Development Financing Board is stipulated to become BLU.

FIFTH:

The status of Gradual BLU as meant in Dictum FIRST shall apply for 3 (three) years at the maximum.

SIXTH:

The status of gradual BLU shall be revoked in the period as meant in Dictum FIFTH in the case of the whole administrative requirements for the Forest Development Financing Board within the Ministry of Forestry being not fulfilled satisfactorily.

SEVENTH:

The Forest Development Financing Board within the Ministry of Forestry can recommend status of Full BLU in the period as meant in Dictum FIFTH if the whole administrative requirements have been fulfilled satisfactorily by abiding by the provisions of legislation.

EIGHTH:

The decree comes into force as from the date of stipulation.

Stipulated in Jakarta

On March 1, 2007

THE MINISTER OF FINANCE

Sgd

SRI MULYANI INDRAWATI

—==(AL)==—