






Centralized National Risk Assessment for Indonesia

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CENTRALIZED NATIONAL RISK ASSESSMENT FOR INDONESIA

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Risk assessments that have been finalized for Indonesia

Controlled Wood categories		Risk assessment completed?
1	Illegally harvested wood	YES
2	Wood harvested in violation of traditional and human rights	YES
3	Wood from forests where high conservation values are threatened by management activities	YES
4	Wood from forests being converted to plantations or non-forest use	YES
5	Wood from forests in which genetically modified trees are planted	YES

Risk designations in finalized risk assessments for Indonesia

Indicator	Risk designation (including functional scale when relevant)
Controlled wood category 1: Illegally harvested wood	
1.1	Specified risk
1.2	N/A for private land Specified risk for the rest of the country
1.3	N/A for private land Low risk for state forest with PHPL certificates Specified risk for the rest of the country
1.4	N/A for private land Specified risk for the rest of the country
1.5	Specified risk
1.6	Specified risk
1.7	Specified risk
1.8	Specified risk
1.9	Specified risk
1.10	Specified risk
1.11	Specified risk
1.12	Specified risk
1.13	Specified risk
1.14	N/A
1.15	Specified risk
1.16	Specified risk
1.17	Specified risk
1.18	Specified risk
1.19	Specified risk
1.20	Specified risk
1.21	Specified risk

Controlled wood category 2: Wood harvested in violation of traditional and human rights	
2.1	Low risk
2.2	Specified risk for freedom of association and collective bargaining, child labour and discrimination in the labour market Low risk for forced labour
2.3	Specified risk
Controlled wood category 3: Wood from forests where high conservation values are threatened by management activities	
3.0	Low risk
<i>Java region</i>	
3.1	Specified risk for protection, production and conservation forests Low risk for private forest land/farm land
3.2	Specified risk for protection and conservation forests Low risk for production forests and private forest land/farm land
3.3	Specified risk
3.4	Specified risk for protection, production and conservation forests Low risk for private forest land/farm land
3.5	Specified risk for conservation forests Low risk for protection, production forests and private forest land/farm land
3.6	Specified risk for conservation forests Low risk for protection, production forests and private forest land/farm land
<i>Sumatra region</i>	
3.1	Specified risk
3.2	Specified risk
3.3	Specified risk
3.4	Specified risk
3.5	Specified risk
3.6	Specified risk

<i>Kalimantan region</i>	
3.1	Specified risk
3.2	Specified risk
3.3	Specified risk
3.4	Specified risk
3.5	Specified risk
3.6	Specified risk
<i>Sulawesi region</i>	
3.1	Specified risk
3.2	Specified risk
3.3	Specified risk
3.4	Specified risk
3.5	Specified risk
3.6	Specified risk
<i>Papua region</i>	
3.1	Specified risk
3.2	Specified risk for protection, production and conservation forests. Low risk for plantation and non-forest areas.
3.3	Specified risk
3.4	Specified risk
3.5	Specified risk
3.6	Specified risk
Controlled wood category 4: Wood from forests being converted to plantations or non-forest use	
4.1	Specified risk
Controlled wood category 5: Wood from forests in which genetically modified trees are planted	
5.1	Low risk

Risk assessments

Controlled Wood Category 1: Illegally harvested wood

Overview

Indonesia has been, for many years, one of the most significant players in the international trade of tropical timber. Nearly half of the Indonesian nation is covered by forests,¹ and the timber extracted from these resources is converted into many products, including plywood, furniture, pulp and paper.² Indonesia's main export markets are China, the EU, Japan and Korea.³

Indonesia was the first country in Asia to sign a voluntary partnership agreement (VPA) with the EU in 2013.⁴ In November 2016, the VPA came into full effect with the endorsement of the timber legality assurance system, the SVLK by the European Commission. Since that time, Indonesia has been able to issue FLEGT licenses to verified legal timber products it exports to the EU. SVLK also applies to timber-based exports to other countries, which are accompanied by V-Legal Documents.⁵

Indonesian legal framework

The Forestry Law (Law No. 41 of 1999) is the primary legislative instrument that governs forestry in Indonesia. It replaced the Basic Forestry Law (Law No. 5 of 1967) that had been in effect throughout the New Order period (1965–1998). The Constitution does not mention forests explicitly but does refer to the state's control over all natural resources of the country. Although the Basic Agrarian Law (BAL, Law No. 5 of 1960) purports to apply

¹ FAO, 2015. *Global Forest Resources Assessments*. <http://www.fao.org/forest-resources-assessment/current-assessment/en/>, accessed 1 May 2017.

² Chatham House, 2017. Illegal Logging Portal – Indonesia. <https://www.illegal-logging.info/regions/indonesia>, accessed 1 May 2017.

³ <http://www.euflegt.efi.int/indonesia>

⁴ Ibid.

⁵ Ibid.

to all land in Indonesia; since 1967, the government has regarded all areas designated as forest as being regulated exclusively by these forestry laws.⁶

Forests in Indonesia are categorised as hutan negara (state forests) and hutan hak (forests subject to rights). There is publicly owned (i.e. by the State) as well as privately owned forest land in Indonesia. The State owns 72% of the forest land, while communities and individuals own 28%. Only half of the State-owned land is State-managed; the other half is managed by private companies, individuals or communities, most commonly through concession permits.

There are three main administrative forest categories for state forests in Indonesia:

1. Production Forest “Hutan Produksi”, the most common type at 58% coverage, with sub-categories such as:
 - a. Permanent Production Forest, called HP “Hutan Produksi Tetap”;
 - b. Limited Production Forest, called HPT “Hutan Produksi Terbatas”; and
 - c. Production Forest, which can be temporarily converted (e.g. for mining), called HPK “Hutan Produksi yang dapat di Konversi “.
2. Protection Forest (e.g. for watershed) at 24%, called HL “Hutan Lindung” and
3. Conservation Forest “Hutan Konservasi” HK at 18% (Which includes Nature Reserves, Nature Conservation areas and Hunting Parks (KSA/KPA/TB).

The following forest management permits are legal in Indonesia:

1. IUPHHK-RE “Izin Usaha Produk Hasil Hutan Kayu-Restorasi Ekosistem” which translates into Business Licence of Forest Timber Production for a Restoration Ecosystem,
2. IUPHHK-HA “Hutan Alam” which is a Permit for Natural Forests,
3. IUPHHK-HTI “Hutan Tanaman Industri” is an Industrial Plantation Permit,
4. IUPHHK-HD “Hutan Desa” is a Village Forest Management Permit without commercial timber sales, and
5. IUPHHK-HTR “Hutan Tanaman Rakyat” which is Community Plantation Forest, up to 700ha.

⁶ USAID (2010). USAID Country Profile - Property Rights & Resource Governance – Indonesia. Available at http://www.usaidlandtenure.net/sites/default/files/country-profiles/full-reports/USAID_Land_Tenure_Indonesia_Profile_0.pdf [Accessed 14 September 2016].

A moratorium on granting new concession licenses has been in place in Indonesia since 2011 (renewed in 2014). Harvesting on concessions is regulated according to these various types of Concession Permits and Licenses (IUPHHK), issued by the Ministry of Environment and Forestry (MoEF), which defines boundaries, areas, duration and harvestable timber species. The Annual Work Plan (known as RKT) and Ten-Year Work Plan (called RKUPHHK or simply RKU) – both of which have to be approved by the MoEF – specify harvesting volumes and logging areas. Receipts relating to tax payments as well as roundwood transport documents (SKAU) are retained by the company, as well as a registration number and the Forest Product Legality Documentation (FAKO) for processed logs issued by the District Forest Office.⁷

Harvesting by State Forest companies requires Ten Year Work Plans, followed by Annual Work Plans, specifying harvesting block, a Stand Inventory Before Felling document (called ITSP “Inventarisasi Tegakan Sebelum Penebangan”) and a Logging Plan.⁸

For harvesting in Private Forests (known as HR “Hutan Rakyat” and defined as a minimum area of 0.25ha), both land certificates as well as roundwood transport documents (SKAU) are needed. The type and volume of timber to be harvested has to be reported to the Chief of Village for approval and issuing of the SKAU.

Apart from the MoEF, the District Forest Office and the Chief of Village, mentioned above, there are technicians of Sustainable Forest Management, called GANISPHPL “Tenaga Teknis Pengelolaan Hutan Produksi Lestari”, who have 19 types of qualification (trained by the authorities) for writing standardized work plans, checking/approving harvesting plans, measuring logging volumes/area, etc. The Government employs experts, called WASGANISPHPL (15 types) for GANISPHPL supervision.⁹

The VPA and the SVLK

There is a mandatory Indonesian timber legality verification system, called SVLK “Sistem Verifikasi Legalitas Kayu”, which forms the basis of the ratified 2013 Voluntary Partnership Agreement (VPA) between the EU and Indonesia – developed following the 2005 Forest Law Enforcement, Governance and Trade (FLEGT) Regulation. This policy is mandatory for all businesses ranging from upstream to downstream sectors where regulatory compliance is verified by the acquisition of certificates based on criteria and standards appropriate to the type of business.¹⁰

⁷ Forest Legality Alliance, 2015. Risk Tool – Indonesia. <http://www.forestlegality.org/risk-tool/country/indonesia>, accessed 1 May 2017.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

The SVLK is mandatory for the entire wood sector. The SVLK system has been developed to mainstream sustainable forest management. It is mandatory for all businesses ranging from upstream to downstream sectors where regulatory compliance is evidenced by the acquisition of certificates based on criteria and standards appropriate to the type of business. Fulfilment of the obligations as stipulated by the relevant laws and regulations is audited by an independent agency in accordance with Minister of Forestry Regulation No. 43 of 2014, which outlines the performance assessment of sustainable forest management and timber legality verification of the licence holder or forest subject to rights. The licence holder of forest products utilization that passes the sustainable forest management audit obtains a Sustainable Forest Management Certificate/Sertifikat Pengelolaan Hutan Produksi Lestari (PHPL) or a Timber Legality Certificate/Sertifikat Legalitas Kayu (SLK). For the wood industry, it is compulsory to obtain Timber Legality Certificate. PHPL includes all aspects covered by SVLK, but requires more efforts by the concession management, in particular concerning social and environmental aspects¹¹.

The Indonesian regulation on the “Standards and Guidelines on the Assessment of Performance of Sustainable Forest Management and the Verification of Timber Legality in the State and Privately-owned Forests” (**Forestry Minister's Regulation P.38/Menhut-II/2009**) establishes the Indonesian Timber Legality Assurance System (TLAS). The TLAS also includes the Indonesian sustainability scheme and targets to improve forest governance, to suppress illegal logging and the associated timber trade to ensure credibility and to improve the image of Indonesia's timber products (Council Decision 2014/284/EU and Commission Decision (EU) 2015/1158 known here after as the 'EU/Indonesia VPA', Annex V)

The TLAS comprises the following elements:

1. Legality Standards,
2. Control of Supply Chain,
3. Verification Procedures,
4. Licensing Scheme,
5. Monitoring.

TLAS is the basic system used to assure the legality of timber and timber products produced in Indonesia for export to the European Union and to other markets (EU/Indonesia VPA, Annex V).

¹¹ SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: <https://silkh.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf>, accessed on 15 May 2018.

Key actors:

1. Conformity Assessment Bodies (CAB) - The CABs are authorized by the Ministry of Forestry and contracted by individual operators to verify the legality of the production, processing and trade activities of individual operators in the supply chain, including the integrity of the supply chain. There are two types of CABs:
 - a. *assessment bodies* (Lembaga Penilai/LP) which audit the performance of Forest Management Units (FMUs) in state forests against the sustainability standards as well as the requirements of the legality standard; and
 - b. *verification bodies* (Lembaga Verifikasi/LV), which audit FMUs, forest-based industries, traders and exporters against the legality standards. LVs can also act as Licensing Authorities. In this case the LVs issue export licences to cover timber products destined to international markets. For non-Union markets, the Licensing Authorities will issue V-Legal Documents, and for the Union market, FLEGT licences will be issued in accordance with the requirements as outlined in Annex IV.
2. The LP and LV are required to develop the necessary management systems addressing competency, consistency, impartiality, transparency, and assessment process requirements as outlined in ISO/IEC 17065. These requirements are specified in the TLAS Guidelines. The conformity assessment bodies (CAB) are accredited by the Indonesian National Accreditation Body (KAN).
3. Indonesian National Accreditation Body (Komite Akreditasi Nasional — KAN) is an independent accreditation body established through Government Regulation (Peraturan Pemerintah/PP) 102/2000 concerning National Standardisation and Presidential Decree (Keputusan Presiden/Keppres) 78/2001 regarding the National Accreditation Committee. It operates under the guidance of ISO/IEC 17011 (General Requirements for Accreditation Bodies Accrediting Conformity Assessment Bodies
4. Auditees - Auditees are operators which are subject to legality verification. They include forest management units (concessionaires or timber utilization permit holders, community-based or village-based forest permit holders, private forest/land owners), registered timber depots, forest-based industries, non-producer registered exporters.
5. Independent monitor (IM) - Civil society groups, individuals and communities acting as Independent Monitors have the right to assess and report on the compliance of operations against legality requirements, as well as on accreditation, verification and licensing activities. Findings from an Independent Monitor can also be used as part of the Periodic Evaluation (PE) which is required under the VPA Agreement (Annex VI).
6. The Government - The Ministry of Forestry (as of October 2014, the Ministry of Forestry was merged with the Ministry of Environment to become the Ministry of Environment and Forestry) regulates the TLAS and authorises the accredited LPs to undertake SFM assessment and

LVs to undertake legality verification. The Ministry of Forestry also authorises the LVs to issue export licences (V-Legal Documents or FLEGT licences).

7. Licence Information Unit (LIU) - an information management unit which validates information concerning V-Legal Document/FLEGT licence issuance. The LIU is also responsible for general information exchange on the TLAS and receives and stores relevant data and information on the issuance of certificates of legality and V-Legal Documents/FLEGT licences.
8. Technical governmental field supervisors (Wasganis) and technical company field staff (Ganis) – Registration is controlled by the Ministry of Forestry. Wasganis are tasked to carry out the supervision and control of log measurements. They also terminate the mandatory transport documents and carry out data reconciliation (for further details refer to the Appendix of this Annex). Ganis prepare the production and transport documents from all production in state forests. Ganis can also terminate the mandatory transport documents in the case of Wasganis' absence for more than 48 hours. Both Wasganis and Ganis are registered with the Ministry of Forestry. On a yearly basis, they are evaluated by the Ministry of Forestry through an official examination.

Operation of the SVLK

Indonesia's SVLK, is designed to verify the legality of timber from the forest or the point of import through the entire supply chain to the point of final sale or export. See Annex V of the VPA. The application of SVLK is mandatory for all forest management units and industries, traders and timber depots, and for all export destinations. The VPA includes different legality standards for timber and timber products from different types of permits and rights holders. For each legality standard, the VPA lists criteria, indicators and verifiers that can be used to prove compliance. In addition, the underlying Indonesian legislation describes agreed upon verification methods. See Annex V of the VPA and the SILK website's page on regulations.

Auditors called Conformity Assessment Bodies (CABs) verify the compliance of timber producers, traders, processors and exporters with the relevant legality standard. Operators that pass the audit are issued with a legality certificate. The legality certificate is valid for three years for large companies and for up to ten years for small-scale operators or low risk operators. Surveillance visits take place every year (large companies) or every two years (small-scale operators or low risk operators).

Licensing authorities issue FLEGT licences to accompany each consignment of verified legal timber exports from registered operators that hold a valid legality certificate. This assessment and licensing are continuously monitored and informed by civil society actors acting as independent monitors of the timber legality assurance system. In addition, 'periodic evaluation' (termed 'independent audit' in other VPAs) will assess the functioning of the legality assurance system at least once a year.

To get certified, timber-based industries, timber depots, traders including exporters, and small-scale privately owned (household or cooperative) forests must conform to the relevant legality standard.

An alternative procedure called Supplier's Declaration of Conformity (SDoC) can be used to enter SVLK supply chains under certain conditions. This alternative procedure is only open to small and medium enterprises and smallholders who deal only with low-risk timber from privately-owned forests and/or SVLK-certified plantation timber from state-owned company (Perhutani). SDoC enable timber with a low illegality risk (i.e. planted exotic species) from nonSVLK certified sources to enter the SVLK supply chain. SDoC are self-declarations containing information about the supplier, products and recipient of the products¹².

A sustainability standard is also mandatory for state owned forests managed by companies (natural and plantation forest concessions). Companies must conform to this standard no later than the end of the three-year validity period of their first legality certificate. All operators working on the basis of permits included in the VPA need to be SVLK certified (or provide a Supplier's Declaration of Conformity), regardless of whether they export or place timber products on the domestic market. Only exporters need also to have a V-Legal Document for each consignment or a FLEGT licence if the export is destined to the EU (once FLEGT licensing starts). Public summaries of all audits and surveillance visits are available on the Ministry of Environment and Forestry's SILK website and the respective sites of the Conformity Assessment Bodies.

Problems / issues raised with SVLK

Christine Overdevest & Jonathan Zeitlin in their report *Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana*¹³ take a comprehensive look at the issues/shortcomings of the SVLK that have been identified and the actions taken to address these issues:

- The slow and uneven pace of SVLK certification.

¹² Ibid.

¹³ Christine Overdevest & Jonathan Zeitlin, 2016. *Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana*. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17.

- Widespread questions have likewise been raised by civil society Independent Monitors and other observers about the quality of the audits themselves. Key issues include variability in the stringency of accredited auditors, opportunities to shop around for more lenient auditors, follow-up of complaints raised by the IMs, and loopholes for the entry of illegally harvested wood into the supply chain.
- Although NGOs have praised the formal role given to civil society as IMs in the SVLK, there have been numerous complaints about the latter's ability to perform this function effectively in the system's initial roll-out. Thus, JPIK monitors have reported difficulties in accessing necessary information about each stage of the certification process, from planned audits and required consultations through audit reports to follow-up actions taken in response to complaints (JPIK 2014). JPIK has also drawn attention to the lack of human and financial resources that limit civil society's capacity to carry out independent monitoring.
- One longstanding point of contention concerns the status of indigenous peoples' rights to their traditional lands. The dispute goes back to a 1999 law,²¹ At one point during the multi-stakeholder negotiations over the SVLK, it appeared as if the legality standard for timber harvested on state-owned lands would include an instruction to auditors 'to look at community documentation of traditional/customary rights, agreements between companies and communities, and documentation of how land conflicts have been resolved'. But these criteria were deleted from the final version included in the VPA, though NGOs were hopeful that these issues would be addressed to some extent in the environmental and social impact assessment required by law and included in the legality standard (Bartley 2014: 99-100; EU-Indonesia 2014: Annex I).
- At least some of the problems with the operation of the SVLK reported above likewise stem from deeper land and resource governance challenges, including inadequate spatial planning capacity, bureaucratic silos, and corruption.
- Independent monitors have also complained that the VPA fails to tackle the legality of permit allocation. CABs are required to consider only 'the existence of a permit document, without examining the process of the issuance of the permit' (Indonesia NGO interview 2014). JPIK has therefore argued that the SVLK needs to be revised to oblige auditors to check whether permits are issued in violation of officially designated area functions, and/or in response to side payments or other forms of corruption (JPIK 2014).
- Three key critical reports:
 - March 2014, Anti Forest-Mafia Coalition' *SVLK Flawed: An Independent Evaluation of Indonesia's Timber Legality Certification System*.¹⁴

¹⁴ Anti Forest-Mafia Coalition, 2014. SVLK flawed: An independent evaluation of Indonesia's timber legality certification system. Available online: <http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf>, accessed 7 February 2017.

- JPIK in November 2014: *SVLK in the Eyes of the Monitor*.¹⁵
- Human Rights Watch (2013) on *The Dark Side of Green Growth in Indonesia*¹⁶

Abidah Setyowati & Constance L. McDermott, 2017¹⁷ in their report stated the following:

“We found that the VLK legality standards consist of an easily auditable document checklist and examined the implications of this approach for addressing the key issues of corruption and land and resource tenure. This revealed how the focus on documentation ignored the issue of whether concessions, plan approvals, or harvest or transport permits were issued through corrupt practices. This is perhaps not surprising, given the limited authority, capacity, and incentive for private auditors, hired by private companies, to uncover either government or private-sector corruption. Regardless of the justification, verifying operations as “legal” that have engaged in corruption obscures its significance relative to the issues that are covered in the standards, and risks further entrenching and legitimating that corruption”.

Actions taken to address these problems/issues

Overdevest and Zeitlin discuss, at length, the actions taken to address the issues mentioned above, in the lead up to the endorsement of the SVLK system by the EC:

- European Parliament resolution - Responding to criticisms of the SVLK raised by Human Rights Watch (whose report is explicitly cited) and the Anti-Forest Mafia Coalition (the publication of whose report was carefully timed to feed into the debate), the European Parliament resolution:

¹⁵ JPIK, 2014. SVLK in the Eyes of the Monitor: Independent Monitoring and a Review of the Implementation of the Timber Legality Verification System, 2011-2013, http://fwi.or.id/english/wp-content/uploads/2014/11/JPIK_SVLK-in-teh-Eye-of-the-Monitor.pdf, accessed 1 May 17.

¹⁶ Human Rights Watch, 2013. *The Dark Side of Green Growth: Human Rights Impacts of Weak Governance in Indonesia's Forestry Sector*, July, <https://www.hrw.org/report/2013/07/15/dark-side-green-growth/human-rights-impacts-weak-governance-indonesias-forestry>, accessed 1 May 17.

¹⁷ *Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade*, *Society & Natural Resources*, 30:6, 750-764, DOI: 10.1080/08941920.2016.1239295

- Calls upon the European Commission to press the Indonesian government to ensure that auditors, verification bodies, and independent monitors receive 'adequate funding and training so that they can carry out regular field monitoring, spot checks and audits.'
- Demanded that the Indonesian government ensure that independent monitoring complaints about legality infringements are responded to adequately and that 'effective and dissuasive enforcement action is taken by relevant authorities'
- Calls upon the Commission to urge the Indonesian government to ensure that 'stakeholder involvement in the implementation and operationalisation of the SVLK is continued and enhanced', and that the SVLK's audit requirements 'are subject to periodic review by Indonesian stakeholders with a view to their continuous improvement'.
- Asks the Commission to report back to it on progress in meeting these requests (some of which it acknowledges go beyond the original terms of the VPA) before approving the Indonesian licensing system, as well as to report regularly on progress made in implementing the VPA and addressing its concerns (European Parliament 2014).
- Joint Technical Assessments - The VPA stipulates that joint technical assessments had to occur before SVLK timber could receive a FLEGT export licence. These assessments are intended to inform both parties about the fitness for purpose of the TLAS system, based on a review of implementation on the ground, including how information is shared among auditors, independent monitors, local government, and licensing authorities, resulting in recommendations for changes needed to the VPA and/or the SVLK regulation to ensure the credibility of FLEGT licences.
 - Stage I of the joint assessment, concluded in September 2013, involved field visits to three provisions, a stakeholder workshop, meetings with official representatives from both parties, and a report co-authored by experts from Indonesia and the EU. This assessment resulted in a joint Action Plan which identified 17 timetabled actions needed for Indonesia to move from SVLK certification to the issuance of FLEGT licences. The Action Plan committed Indonesia to:
 - improve the effectiveness of SVLK oversight through 'active use of the data collected, including reconciliation analyses throughout the whole supply chain'
 - impose sanctions on certifiers and companies who fail to deliver audit reports on time.
 - oblige certification bodies to outline in their own procedures how they act on reports of infringements detected in 'regulatory controls', e.g. by local governments.
 - 'identify through a multi-stakeholder process how the function of the Independent Monitors and its sustainability can be secured', including access to information, security, capacity-building and funding (the latter to be partly supported by the

EU); to make the results of these stakeholder meetings publicly available and to integrate the revised standards and metrics into the procedures of the verification bodies.

- develop procedures for identifying SVLK and non-SVLK certified timber, and to draft a new regulation for controlling the legality of imported wood, and to update the already agreed VPA legality matrix to incorporate these revisions.
- The Action Plan listed a number of specific areas needing additional discussion, including: 'allocation of forest resources and permitting, environmental requirements, labor rights, and respect for use rights of other parties and application scope' (Indonesian Ministry of Forestry 2014).
- Stage II of the joint assessment, which took place in the fall of 2014, included a review of progress in carrying out these commitments as well as further field testing of the SVLK, and resulted in a revised Action Plan outlining the steps that still needed to be taken before FLEGT licensing could be approved.
- Between September 2014 and January 2016, EU and Indonesian officials, accompanied by representatives of domestic civil society and private business, convened regularly in the Joint Implementation Committee to monitor the process and follow up on action items, supported by Joint Expert Meetings to evaluate progress on the SVLK and multi-stakeholder Joint Working Groups (JWGs) to resolve outstanding problems (Indonesia-EU 2014e: 21).
- The participation of both EU officials and civil society representatives in the meetings ensured that sensitive issues raised by the EP Resolution and NGO reports would be addressed, including not only the roll-out of the SVLK itself, but also the availability of information, the effectiveness of independent monitoring, and the enforcement of certification requirements for all new conversion permits (Indonesia-EU 2015b).
- The SVLK has been revised to allow small producers to establish cooperatives to obtain group certification and receive financial assistance from the government for this purpose (European Commission 2015, Annex V). To accelerate the certification process among small primary and secondary producers, the Ministry of Environment and Forestry (MoEF) established a network of independent facilitators or focal points in 21 provinces to map their location, assess gaps in meeting SVLK requirements, and assist them in achieving group certification (Indonesia-EU 2014e: 19). The revised VPA annexes explicitly include forest conversion (IPK) permits and the JIC has agreed that all new forest conversion concessions must be SVLK certified (European Commission 2015, Annex I; Indonesia-EU 2015c). As mandated by the VPA, a Periodic Evaluator has now been appointed to review the operation of the SVLK, and the methodology has been drafted for monitoring its socio-economic impacts (Indonesia-EU 2016).

- There has been an intensive process of capacity building and training for public officials, third-party auditors, and private businesses, orchestrated through collaboration between the MoEF, the UK-supported Multistakeholder Forestry Programme (MFP), and a variety of domestic and international trade associations and conformity assessment bodies.
- The roll-out of the SVLK has greatly increased (Indonesia-EU 2015e: 19, 21-22). In early 2016, the SVLK information system listed 1,386 certificate holders, compared to 637 in December 2013.³⁴ As of August 2015, SVLK certification had attained 100% coverage among state forest concessions and large primary timber processors and 52% among medium-sized primary timber processors. 904 secondary processing firms had also been certified, though the coverage rate could not be assessed. The JWG estimates that by the end of 2015, 98% of all timber exports covered by the VPA (including both primary and secondary products) were equipped with an SVLK legality certificate (Indonesia-EU 2016).
- There has been a significant increase in the number of accredited Conformity Assessment Bodies (from 14 in 2014 to 21 in early 2016), as well as in the number of trained auditors to 980 by mid-2015 (Indonesia-EU 2015c, 2014e: 19). Revised procedures for filing and addressing complaints shift responsibility for oversight of the CABs from the National Accreditation Body (KAN) to the Ministry of Forestry and Environment. The revised SVLK regulations stipulate that if local communities and NGOs do not get a satisfactory response to complaints raised with a CAB for illegal activities detected in connection with an SVLK license, they can file complaints directly to the MoEF (Indonesia-EU 2014; European Commission 2015).
- There are signs that Indonesian police and courts have begun to move aggressively to crack down on illegal logging, at least in some provinces such as Riau and North Sumatra.³⁵
- The JPIK representative at the July 2015 JIC meeting reported ‘good progress’ on options for ensuring security and sustainable funding for their activities, a goal which was also included in the third joint Action Plan (Indonesia-EU 2015c, 2015d). The UK DfID has supplied capacity-building support for independent monitoring through the MFP and the EIA by organizing experiencesharing workshops for NGOs involved in the JIC and training local journalists in the SVLK monitoring process (Indonesia-EU 2015e: 21). The Joint Working Group reports that independent monitoring organizations have carried out gap analyses of their own needs, provided training to their members, and integrated local communities into their capacity-building activities. They also report that there are now 629 people from 95 organizations involved in independent monitoring, covering over 60 companies, twice as many as in 2013. The security and funding of IMs have been addressed in the latest revision of the SVLK regulations, but detailed mechanisms and implementing protocols still remain to be developed. IM organizations themselves are currently developing monitoring guidelines and internal safety protocols for eventual discussion with the government (2016).

- Inadequate public disclosure and sharing of information about the SVLK verification process has been a recurrent complaint of the Independent Monitors. The revised SVLK regulations include guidelines obliging CABs ‘to publicly announce and inform stakeholders about audits and share information about the verification results’. The CABs are now required to send copies of all audit reports to the MoEF, including information on non-compliances, which the Ministry may follow up with law enforcement actions based on their findings. The next revision of the SVLK regulation will establish a formal procedure for dealing with companies that have not passed an audit, including ‘information sharing with all relevant authorities at central and local levels’ and follow-up of the verifiers ‘not passed’. The JWG reports that the availability of publicly available data needed for the IMs to perform their tasks effectively ‘has improved recently but is not yet considered adequate’ (Indonesia-EU 2014, 2015a, 2015b, 2015c, 2016).
- The Joint Assessment of the SVLK and associated Action Plans failed to require specific measures to corruption in the permit allocation process. Instead, the Joint Assessment merely acknowledged this concern, and requested Indonesia to ‘elaborate...its reasons why the description of processes to allocate forest resources and to issue rights to harvest are not included in the standards in the SVLK regulation’ (Indonesia-EU 2014). According to one EU interviewee, this request was ‘batted back on the grounds that the historical corruption that went on in the distribution of licences, there’s very little you can do about that without raising so many skeletons in cupboards that you’d need to have a major and wholesale review of licences...’ (EU advisor interview 2016). Nevertheless, civil society organizations continue to pursue this issue using another platform, namely the 2008 Public Information Law. After the MoEF rejected requests from Forest Watch Indonesia and ICEL for information on permits, claiming that this fell outside the law, FWI submitted a complaint to an administrative court, the Central Information Commission, and won the case, with the court ruling in May 2015 that such information must be made public. The MoEF appealed the decision, and on August 26 the Commission rejected the appeal reaffirming the ministry’s obligation to release permit information publicly.

Additionally, the First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA developed by PT SUCOFINDO SBU LS (SUPERINTENDING COMPANY OF INDONESIA) (2018), provides the most updated information of the implementation of the VPA in Indonesia. The fieldwork was conducted in April – June 2017, and targeted actors in the following provinces: Special Region of Yogyakarta, Central Java, East Java, Bali and Jabodetabek-Banten areas (focus on timber industry, planted trees on private lands and smallholder issues); and East Kalimantan, Jambi and Central Kalimantan (focus on natural forests, forest conversion and industrial timber plantations). A total of 101 actors were included in the evaluation sample. The main results and conclusions of this report are the following:

- In the case of state-owned forest: Information from the MOEF indicates that 74% of natural forests covered by IUPHHKHA (selective logging concessions) and IUPHHK-HT (industrial forest plantations) are SVLK certified, amounting to 23.3 million ha. Based on the latest data available, in 2016 about 19 million ha of State forest was allocated to 262 commercial logging concessions. About 3.5 million ha (55 concessions) of IUPHHK-HA holders were certified as SVLK, while another 10.5 million ha (89 concessions) had sustainable forest management certification (PHPL). Overall, at least 14 million ha (out of 19.5 million ha allocated) was under the TLAS. The Industrial Forest Plantations (IUPHHK-HT) covered 10.8 million ha spread over 286 concession permits. Of these, 154 concessions (6.5 million ha) were SVLK or PHPL certified.

The remaining quarter of IUPHHK-HA and IUPHHK-HT are not certified because the concessions are not yet in production stage, operations are suspended due to financial difficulties, or their SVLK certificates have been revoked. SVLK prohibits timber from the non-certified sources to enter the supply chain. However, if the SVLK or PHPL certification are suspended or withdrawn, the regulations appear to allow permit holders to continue log production within the frame of their already allocated annual logging quotas, raising questions on the use and destinations of such logs. No real-life cases on log supply from forest areas with suspended or withdrawn SVLK certificate were discovered in this Periodic Evaluation. However, this issue is a potential systemic weakness that needs further investigation.

- In the case of private tree plantations: Timber supplies from private (households and smallholder) tree plantations account for a substantial and fast-growing proportion of the total timber production in Indonesia and predominantly qualify for SVLK through the use of DKPs. The share of SVLK-certified private plantations is insignificant due to the fact that the use of DKP is an easier and more cost-effective procedure within the SVLK. There is no Government database on the use of DKPs. The provincial forest agencies are regulated to carry out spot checks on the proper use of DKPs. However, no documented evidence on the conduct of spot checks was found during the Periodic Evaluation. The MOEF has communicated that CABs assessing compliance with SVLK requirements are currently their main source of information on the use of DKPs. At present, eight CABs have provided such information, whereas submission from other CABs is still pending.
- The findings of this Periodic Evaluation indicate that in 2017, there were at least 56 cases of suspected non-compliance in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, potentially casting a shadow over the quality of a number of SVLK audits. In cases where field inspections are needed to address IM complaints, these investigations are time-consuming for the CABs (field investigations are usually carried out during the next scheduled surveillance audit). It was also detected that not all audit plans and reports are available on the CABs' websites.

The non-compliant observations relate, for example, to: harvesting of logs prior to the granting of an approved utilisation permit; harvesting of under-sized logs; mismatch between production and timber royalty payments; conflict with local communities; clearing of river banks and other environmental and social irregularities; logs not marked with VLegal Logo; and sourcing of timber from non-SVLK certified forests.

About half of these cases were related to administrative failures of certified companies. However, 28 cases were of a more serious nature and thus also reported to the MOEF. All these cases have been acted upon, while at the time of writing the report of this evaluation, four cases were not yet concluded. However, IM organisations have not been duly informed about the handling of the suspected cases of non-compliance.

It is noted, however, that most of the available information on non-compliance cases are from the JPIK network. Many other IM organisations do not coordinate the disclosure of their findings and do not always follow the established procedures for reporting suspected cases of non-compliance. There is a need for coordination among IMs and for consistent adherence to the established reporting procedures.

- Despite comprehensive procedures in place to ensure the robust issuance of V-Legal Documents, this Periodic Evaluation found indications of problems associated particularly with the export of furniture and other household utility items. Lesser extent problems were also detected on other export products. As of September 2017, the LIU has received queries from FLEGT competent authorities of the EU Member States seeking clarifications on: a) Inconsistencies in product quantities between V-Legal Documents and invoices and packing lists; b) Appearance variations in the V-Legal Documents (paper quality, paper colour, logo, signature attributes) in part related to decentralised printing practices; and c) Inconsistencies in HS codes between export and import declarations.

The LIU is currently implementing an action plan to address the identified problems. The action plan covers: (i) exploring feasible means to minimise the practice of making changes to export documents after V-Legal Documents/FLEGT licences have been issued; (ii) harmonising the use of HS codes; (iii) providing LAs with additional instructions and guidance for appropriate issuance of V-Legal Documents/FLEGT licences; and iv) improving the communication between the LIU and competent authorities on the identified problems.

In order to improve the exchange of information between the LIU and the competent authorities, the LIU is developing a standard query/response form that is expected to make communication on V-Legal Documents/ FLEGT licences more efficient. The LIU also plans to host visitors from competent authorities to solve these issues through direct communication.

- The overall conclusion of this Periodic Evaluation is that the SVLK is operational and applied by all relevant actors. It captures operations of most private sector companies involved in harvesting, processing and trading of timber, and Government agencies and other bodies tasked with controlling and verifying legal compliance of operations.

- The MOEF has been instrumental in overseeing SVLK implementation, coordination, compilation of data, and development of data management systems. On the operational side, provincial forest authorities are the main bodies that control the private sector and take law enforcement actions. The findings of this Periodic Evaluation suggest that their control function and level of compliance are satisfactory, but further efforts are needed in monitoring of and follow up on reported non-compliance cases. The MOEF also needs to do more in terms of outreach to private forest holdings and SVLK certification support for small and medium enterprises.
- The private sector implementing the SVLK consists of diverse operators. The largescale operators upstream of the supply chain (forest-based operations) and in the processing sector further downstream have the greatest preparedness, adequate skills and resources to comply with SVLK requirements. With regard to small and medium enterprises that are usually the secondary processing sector, there are still challenges as small-scale operations may struggle with meeting SVLK requirements due to insufficient technical knowledge and limited financial resources. More Government and donor support is needed to strengthen small and medium enterprises performance. To this end, it is encouraging to see that in 2018, the MOEF plans to intensify the financial support and field extension service for small and medium enterprises.
- In recent years, CABs and LAs have systematically developed their capacities. This is encouraging as both play a critical role in the control of supply chain certification of operations and licensing of exports. Their procedures and resources to implement audit, certification processes, as well as issuance of V-Legal Documents are subject to systematic external checks, building confidence in their integrity. However, feedback from IM organisations suggests that improvements may still be needed in the quality of field audits, mechanisms to investigate IM findings, and the incorporation of this material into the evidence base of SVLK certification. It is also encouraging to see coordinated follow up by the MOEF and KAN on the reported cases of non-compliance to ensure that CABs check on these cases. Both CABs and the MOEF need to be more forthcoming with information on the exact steps and law enforcement implications.
- Civil society organisations engaged in IM activities have been instrumental in detecting and reporting suspected cases of non-compliance in the functioning of the SVLK. IMs have satisfactorily carried out monitoring operations on the ground and produced valuable findings for CABs and Government law enforcement. The exact number of IM missions and surveys is unknown, but it is clear that their intensity is still low. This Periodic Evaluation concludes that IM organisations need to make further efforts to strengthen their capacities in terms of organisational structures, planning and reporting, intensity of field monitoring and sustainable funding.
- The implementation of the SVLK includes massive amounts of data, presently collected and analysed using electronic and paper-based systems. Data management on licensing and certification-related activities is well developed, and competent authorities of the EU Member States have access to the SILK database on legal documents / FLEGT licences issued. However, further development is needed to improve

data management on the supply chain controls, especially from the primary processing to the point of exports or sales on the domestic market. It is acknowledged that the MOEF has made great strides in managing supply chain data using two stand-alone systems – one for controlling timber flows from natural forests to primary industries and the other one within primary industries. However, additional steps are needed to capture all timber sources and timber processors. Therefore, the plans for an integrated timber information system (i.e. SI PHPL) are warmly welcomed. Such an integrated system holds great promises for real-time data reconciliation and evaluation of legal compliance.

- Availability of data is crucial for effective communication and evaluation of the SVLK implementation. IM organisations and others interested in the use of State forests and associated processing and trade of timber have recently managed to acquire information as per the definition of the Indonesian Law on Freedom of Information. Thus, it can be concluded that access to information at the MOEF level has improved during the past three years, though some delays remain. IM organisations and other civil society actors will likely need more detailed datasets for assessing the integrity of the timber supply chain. The MOEF will therefore need to make decisions on how to handle requests for access to disaggregated data on SIPUHH and SI PHPL

NOTE: As the review and endorsement of the SVLK system, undertaken over a number of years by the European Union has considered these issues specifically raised by stakeholders, this risk assessment takes into consideration the current outcomes of its implementation in the indicators that are expressly covered by the SVLK system. The risk designation for each of these indicators was based not only on the outcomes of SVLK implementation, but also on updated evidences about the law enforcement. In the cases where SVLK endorsement has been the main evidence for the assessment of an indicator which derived in low risk designation, it is only considered applicable for state-owned forests with SLK or PHPL certificates. In the case of private tree plantations, it is not possible to consider the endorsement of SVLK as sufficient, as there is no data available on the use of DKPs, according to the First Periodic Evaluation of the VPA. Even though SVLK is mandatory for the entire wood sector, there are forests that remain without SVLK certification. The list of sources provided in FSC-PRO-60-002a, section 3.3.3 has been reviewed for relevance in regard to the national legality risk assessment of Indonesia. The following sources have been used: (NOTE: delete as appropriate)

1. Chatham House: <http://www.illegal-logging.info/>;
2. Environmental Investigation Agency: <http://www.eia-international.org/>;
3. EU FLEGT process: http://ec.europa.eu/comm/development/body/theme/forest/initiative/index_en.htm;
4. Forest Legality Alliance: <http://www.forestlegality.org/>;
5. Government reports and assessments of compliance with related laws and regulations;
6. Independent reports and assessments of compliance with related laws and regulations, e.g., the Royal Institute of International Affairs: <http://www.illegallogging.org/>;

7. Interpol: <http://www.interpol.int/Crime-areas/Environmental-crime/Projects/Project-LEAF>;
8. Justice tribunal records;
9. Public summaries of FSC forest management certification reports published at info.fsc.org (information on legal areas where non-compliances have been identified during the certification process that are likely to be common for non-certified operations);
10. Public summaries of other 3rd party forest legality certification/verification systems;
11. Stakeholder and expert consultation outcomes from NRA development processes;
12. Telapak (for Indonesia): <http://www.telapak.org>;
13. Transparency International Corruption Perceptions Index: http://www.transparency.org/policy_research/surveys_indices/cpi;
14. World Bank Worldwide Governance Indicators: <http://data.worldbank.org/datacatalog/worldwide-governance-indicators>;
15. In cases where other sources of information are not available, consultations with experts within the area shall be conducted.

Where relevant, they have been specifically referenced under “sources of Information” for each applicable sub-category. The remaining sources was found not to be relevant for the legality risk assessment for Indonesia.

Sources of legal timber in Indonesia

Timber source types in Indonesia						
Forest type	Region/ Area	Legal Land Classification	Ownership	Management regime	License / Permit Type	Description of source type
State owned lands	Whole country	Permanent Production Forest (HP “Hutan Produksi Tetap”)	State owned	Company managed Concessions	<p>IUPHHK-HA/HPH Permit to utilise timber from natural production forests</p> <p>IUPHHK-HTI/HPHTI Permit to establish and manage industrial plantation forest</p> <p>IUPHHK-RE Permit for forest ecosystem restoration</p>	<p>Timber from concessions on state owned land, allocated prior to 2011 holding the requisite permit (IUPHHK-HA, IUPHHK-HTI or IUPHHK-RE), possessing the appropriate SVLK documentation.</p> <p>NB: Since 2011, a moratorium has been in place in Indonesia, which prevents new IUPHHK-HA (Natural Forest) or IUPHHK-HTI (Plantation Forest) licenses being issued.</p>
			State owned	Harvested by a State Company	Forest management right (Perum Perhutani)	Timber from state owned land, harvested by a State Company established in accordance with Government Regulation No. 72/2010, possessing the appropriate SVLK documentation.
			State owned	Community or privately managed	<p>IUPHHK- HTR Permit for community or private forest plantation</p> <p>IUPHHK-HKM Permit for community forest management</p>	Timber from community or privately managed forests on State owned land, possessing the appropriate SVLK documentation.

					IUPHHK-HD Permit for village forest management IUPHHK-HTHR Permit to utilise timber from reforestation areas	
		Non-forest zones or Production Forest, which can be temporarily converted (e.g. for mining), (HPK “Hutan Produksi yang dapat di Konversi)	State owned	Timber utilisation rights	Permit to utilise timber from non-forest zones (ILS). Permit to utilise timber from convertible production forest (IPK)	Timber from non-forest zones or from convertible production forests, possessing the appropriate SVLK documentation.
		Limited Production Forest (HPT “Hutan Produksi Terbatas”)	State owned	Company managed Concessions	IUPHHK-HA/HPH Permit to utilise timber from natural production forests IUPHHK-HTI/HPHTI Permit to establish and manage industrial plantation forest IUPHHK-RE Permit for forest ecosystem restoration	Timber from concessions on state owned land, allocated prior to 2011 holding the requisite permit (IUPHHK-HA, IUPHHK-HTI or IUPHHK-RE), possessing the appropriate SVLK documentation. NB: Since 2011, a moratorium has been in place in Indonesia, which prevents new IUPHHK-HA (Natural Forest) or IUPHHK-HTI (Plantation Forest) licenses being issued.
			State owned	Harvested by a State Company	Forest management right (Perum Perhutani)	Timber from state owned land, harvested by a State Company established in accordance with Government Regulation No. 72/2010, possessing the appropriate SVLK documentation.

			State owned	Community or privately managed	<p>IUPHHK- HTR Permit for community or private forest plantation</p> <p>IUPHHK-HKM Permit for community forest management</p> <p>IUPHHK-HD Permit for village forest management</p> <p>IUPHHK-HTHR Permit to utilise timber from reforestation areas</p>	Timber from community or privately managed forests on State owned land, possessing the appropriate SVLK documentation.
		Protection Forest (HL “Hutan Lindung”)	State owned	N/A	N/A	No source
		Conservation Forest “Hutan Konservasi” HK (Which includes Nature Reserves, Nature Conservation areas and Hunting Parks (KSA/KPA/TB).	State owned	N/A	N/A	No source
Privately-owned forests		Individual Private Forest Ownership (HR “Hutan Rakyat”)	Privately owned	Defined as a minimum of 0.25ha. No regulation on the	No permit required	Timber from private, with possessing the appropriate SVLK documentation.

				<p>maximum size of a private forest area, but they tend to be below 5ha.</p> <p>There is the option to have cooperatives where multiple private forest lands are managed together.</p>		
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Risk assessment

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
Legal rights to harvest			
1.1 Land tenure and management rights	<p>Applicable laws and regulations</p> <p>For Concessions within Production Forest Zones</p> <ul style="list-style-type: none"> Act No 41 Year 1999 on Forestry http://prokum.esdm.go.id/uu/1999/uu-41-1999.pdf Government Regulation PP72/2010 Regulation of the Minister for Forestry P12/2010 Regulation of the Minister for Forestry P.30/2014 Regulation of the Minister for Forestry P.31/2014 Regulation of the Minister for Forestry P.33/2014 	<p>Government Sources</p> <ul style="list-style-type: none"> Timber Legality Information System <i>Sistem Informasi Legalitas Kayu (SILK)</i>, (2016) Online portal related to V-legal document publishing. [online] Sub Directorate of Information Timber Legality Verification, Directorate General of Forest Utilization. Available at: http://silk.dephut.go.id/index.php. [Accessed 13 September 2016]. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the 	<p>Overview of legal requirements</p> <p>The majority of forested land in Indonesia is classified as state forest and is therefore controlled by the state. Although the basic Agrarian Law (BAL) recognizes the customary land rights – called <i>hak ulayat</i> – of traditional <i>adat communities</i>, including communities living in forests, the recognition applies only to communities that still exist, and only if the interests of the community do not violate interests of the Indonesian state. The criteria to determine the validity of a community is set forth in Ministerial Regulation 1999 entitled —Guidelines to Solving Problem of Adat Communities 'hak ulayat' " (Thorburn 2004; Contreras-Hermosillo and Fay 2005). In practice, the Ministry of Forestry has consistently ruled that the interests of the state trump any interests of adat communities to use the trees or the land that the ministry has classified as state forest. The ministry essentially treats all such lands as state lands and freely grants concessions to companies to harvest trees or establish plantations of oil palm or other commercial crops.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Forestry P.76/2014 <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P37/2007 Regulation of the Minister for Forestry P49/2008 Regulation of the Minister for Forestry P12/2010 Regulation of the Minister for Forestry P55/2011 Regulation of the Minister for Forestry P43/2014 <p>For privately-owned forests</p> <ul style="list-style-type: none"> Act 5/1960 Regulation of the Minister for Forestry P33/2010 Government Regulation PP12/1998 	<p>Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b 	<p>Today, only a small proportion of forests in Indonesia are on privately titled land (Lindsey 1998; Contreras-Hermosilla and Fay 2005). It has been difficult for adat communities to establish land rights in forests controlled by the Ministry of Forestry. The new era of decentralization of government authority – from the central government to the district (kabupaten) governments – has created more space for adat communities to assert rights to at least receive compensation for the removal of trees from their land. While community-managed forests have been successful in rehabilitating heavily degraded forest areas and generating sustainable income for adat communities, newly regenerated forests have attracted the attention of illegal loggers, who operate with seeming impunity. Local residents, forest advocacy groups and conservationists cite corruption, mismanagement, apathy from local law enforcement and fear among local residents as underlying factors in this growing trend (Contreras-Hermosillo and Fay 2005; Jakarta Post 2010b).</p> <p>Systematic land registration is ongoing in Indonesia, but most private rights to urban and rural land remain unregistered. Forest dwellers who might wish to assert customary rights (<i>hak ulayat</i>) have almost no tenure security. Hak ulayat rights cannot be registered, and although there is a process on the books by which the state can - recognize such rights, this is seldom done. Nor is it clear that the act of recognizing the</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Trade 36/2007 Regulation of the Minister for Trade 37/2007 Act 6/1983 Regulation of the Minister for Forestry P43/2014 <p>Timber utilisation rights within Non-Forest Zones or from Convertible Production Forest</p> <ul style="list-style-type: none"> Government Regulation PP27/2012 Within non-forest zone without altering the legal status of the forest. <ul style="list-style-type: none"> Regulation of the Minister for Forestry P18/2011 Regulation of the Minister for Forestry P59/2011 Regulation of the Minister for Environment 05/2012 	<ul style="list-style-type: none"> Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment/euflegt/briefing_note_indonesia%20en.pdf 	<p>right prohibits the state from later withdrawing recognition (Mitchell et al. 2004).</p> <p>Theoretically, in Indonesia, a company can rent land for forest management from the state only if the company is in compliance with the legal requirements described in the column 'Applicable laws and regulations '. Non-compliance can result in loss of land tenure rights.</p> <p>Land tenure rights can be entered into the Land Registry only if the company provides all legally required documents described in the field 'Legally required documents or records '.</p> <p>To summarise, the following legal requirements apply to the different source types:</p> <p>For concessions within Production Forest Zones:</p> <ul style="list-style-type: none"> Forest management unit (concessionaires) is located within the production forest zone - Permit holder can demonstrate that the timber utilisation permit (IUPHHK) is valid. <p>For community plantation forests and community forests within Production Forest Zones:</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Within non-forest zone which leads to a change in the legal status of the forest <ul style="list-style-type: none"> Regulation of the Minister for Forestry P33/2010 Regulation of the Minister for Forestry P14/2011 Regulation of the Minister for Forestry P59/2011 Regulation of the Minister for Environment 05/2012 Regulation of the Minister for Forestry P14/2011 Within non-forest zone. <ul style="list-style-type: none"> Regulation of the Minister for Forestry P14/2011 Regulation of the Minister for Environment 05/2012 <p>Voluntary Partnership Agreements with the European Union</p> <ul style="list-style-type: none"> Voluntary Partnership Agreement between the European Union and the Republic of Indonesia on forest law enforcement, 	<p>Non-Government Sources</p> <ul style="list-style-type: none"> United Nations Office on Drugs and Crime (UNODC) (undated). Indonesia - Forest Crimes. Available at https://www.unodc.org/southeastasiaandpacific/en/indonesia/forest-crime.html [Accessed 13 September 2016]. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. Environmental Investigation Agency (EIA) (2014). Permitting Crime: How palm oil expansion drives illegal logging in Indonesia. Available at http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf [Accessed 13 September 2016]. FERN (2016). <i>Do FLEGT VPAs improve governance? Examining how FLEGT VPAs are changing the way forests are owned and managed</i>. Available at 	<ul style="list-style-type: none"> Forest management unit is located within the production forest zone - Permit holder can demonstrate that the timber utilisation permit (IUPHHK) is valid. Business unit in the form of group - The business group is legally established. <p>For Privately-Owned Forests</p> <ul style="list-style-type: none"> Private land or forest owner can prove ownership or use rights of the land. Business unit in the form of groups are legally registered - the business groups are legally established. <p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> Within non-forest zone without altering the legal status of the forest - Harvesting operation authorised under Other Legal Permit (ILS)/conversion permits (IPK) in a lease area Note: This also applies for area previously categorised as Reforestation-based Plantation Forest (HTHR) Within non-forest zone which leads to a change in the legal status of the forest - Timber harvesting authorised under a land conversion permit (IPK) Note: This also applies for area previously categorised as Reforestation-

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>governance and trade in timber products into the European Union - http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22014A0520%2802%29&from=EN</p> <ul style="list-style-type: none"> Commission Decision (EU) 2015/1158 of 8 July 2015 - amendments to the Annexes I, II, and V of the Voluntary Partnership Agreement between the European Union and the Republic of Indonesia - http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015D1158 <p>INDO-TLAS/Sistem Verifikasi Legalitas Kayu (SVLK)</p> <ul style="list-style-type: none"> Indonesia Forestry Minister's Regulation No P.38/Menhut-II/2009 Concerning Standard and Guidelines on Assessment of Performance of Sustainable Production Forest Management 	<p>http://www.illegal-logging.info/sites/files/chlogging/FERN_flegtvpaforestgov.pdf [Accessed 13 September 2016].</p> <ul style="list-style-type: none"> USAID (2010). <i>USAID Country Profile - Property Rights & Resource Governance – Indonesia</i>. Available at http://www.usaidlandtenure.net/sites/default/files/country-profiles/full-reports/USAID_Land_Tenure_Indonesia_Profile_0.pdf [Accessed 14 September 2016]. ARD Inc. 2004. Growing conflict and unrest in Indonesian forests. Burlington: ARD, Inc. http://pdf.usaid.gov/pdf_docs/Pnadd200.pdf (accessed 23 January 2017). Contreras-Hermosilla, Arnoldo, and Chip Fay. 2005. Strengthening forest management in Indonesia through land tenure reform: Issues and framework for action. http://www.rightsandresources.org/publication_details.php?publicationID=1338 (accessed 28 March 2010). 	<p>based Plantation Forest (HTHR) and Conversion permit (IPK) for transmigration settlement</p> <ul style="list-style-type: none"> Within non-forest zone - Timber harvesting authorised under a land conversion permit (IPK) within non-forest zone and Conversion permit (IPK) for transmigration settlement <p>Description of Risk</p> <p>According to numerous sources, there are risks of uncertain and insecure land tenure in Indonesia, a number of factors contribute to this:</p> <ul style="list-style-type: none"> According to Landportal.org (undated), throughout Indonesia, the land rights of unregistered owners are insecure, women's rights to marital property are generally not registered, and registration of all rights is unnecessarily expensive. Landportal.org also notes particular risks in associated with deforestation. A deforestation rate of 2% per annum is a significant ongoing threat which imposes especially high costs on traditional adat communities that depend upon forest resources for their livelihood. Indonesia's legal framework fails to provide an environment conducive to investment and economic growth that would open doors of opportunity for the poor, women and traditional communities."

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>and Verification of Timber Legality for License Holders or In Private Forests - http://www.nature.or.id/en/publication/forestry-reports-and-guidelines/timber-legality-assurance-system-eng.pdf</p> <ul style="list-style-type: none"> • Director General Of Forestry Production Development's Regulation No P.6/ViSet/2009 Concerning Standards and Guidelines on Assessment Of Performance In Sustainable Production Forest Management And Timber Legality Verification - http://www.nature.or.id/en/publication/forestry-reports-and-guidelines/timber-legality-assurance-system-eng.pdf • Minister for Forestry Regulation P.30/Menhut-II/2012, • Minister for Forestry Regulation P.41/Menhut-II/2014 and • Minister for Forestry Regulation P.42/Menhut-II/2014 	<ul style="list-style-type: none"> • Landportal.info (undated). Landbook – Indonesia. https://landportal.info/book/countries/IDN/pdf/pdf. (accessed 23 January 2017). • Christine Overdevest & Jonathan Zeitlin, 2016. Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. • Abidah Setyowati & Constance L. McDermott, 2017. <i>Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade, Society & Natural Resources</i>, 30:6, 750-764, DOI: 10.1080/08941920.2016.1239295 	<ul style="list-style-type: none"> • According to USAID (2010), Ambiguities between formal and customary law are interpreted by governments, officials and citizens in ways that undermine land rights, leading to a growth in land disputes and conflicts which must be addressed. While adat or customary law is declared a primary source of land law, it is simultaneously subjected to all restrictions of formal land law. • USAID (2010) also states the registration system that is overly complex, inefficient and ambiguous has weakened security of tenure and the development of a functioning land market. Insecurity of tenure in both urban and rural areas has been exacerbated by a cumbersome and complex land registration process, lack of clear rights and procedures for registering communal rights, and nontransparent expropriation procedures. • Disputes over land are widespread. In recent years it has been estimated that at least 1500 major land conflicts remain unsettled. Conflicts often involve clashes between communities of farmers on one side and either the Ministry of Forestry or private plantation companies on the other (Thorburn 2004). • Conflicts are common between forest-dwelling adat communities and timber companies and others who

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> • Circular of the Director General of Sustainable Production Forest Management No. SE. 21 / SFM / PPHH / HPL.3 / 12/2016 on the Implementation of Timber Legality Verification in Non Manufacturers Exporters (Surat Edaran Direktur Jenderal Pengelolaan Hutan Produksi Lestari Nomor SE. 21/PHPL/PPHH/HPL.3/12/2016 Tentang Pelaksanaan Verifikasi Legalitas Kayu Pada Eksportir Non Produsen) - http://silk.dephut.go.id/app/Upload/hukum/20161209/db0e503955d6513ee112e6b35d644144.pdf • The Director General of Sustainable Forest Management No. P.15 / PHPL / PPHH / HPL.3 / 8/2016 on Amendment Peraturan Director General of Sustainable Forest Management No. P.14 / PHPL/ SET / 4/2016 Concerning Standards and 	<ul style="list-style-type: none"> • JPIK, March 2018. Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management. News published in JPIK website. Available online at: http://jpik.or.id/deforestation-social-conflict-keep-happening-indonesian-government-strengthen-sustainability-system-forest-management/, accessed on 16 May 2018. • SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. 	<p>want to harvest trees, and such conflicts often turn violent. The basis of all such conflicts is disagreement over the state's authority to harvest the trees or grant harvesting rights to corporations. Five core factors that motivate and sustain forest-related conflicts are:</p> <ol style="list-style-type: none"> 1. direct and indirect involvement of the Indonesian formal security and military forces in timber conflict; 2. fragmentation of natural resource management authority due to rapid devolution of political power from the central government to kabupaten authorities; 3. kabupatens' abuse of their newly evolved political powers; 4. selective and inconsistent law enforcement; and 5. ambiguous land and resource tenure (ARD 2004). <ul style="list-style-type: none"> • Because levels of law enforcement are generally low in Indonesia, there is a high risk that companies do not comply with legal requirements. According to the United Nations Office on Drugs and Crime (UNODC) "Inadequate law enforcement continues to increase Indonesia's vulnerability to forest crimes."

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Guidelines for the Implementation Performance Assessment of Sustainable Forest Management (SFM) and Timber Legality Verification (VLK) - http://silk.dephut.go.id/app/Upload/hukum/20160914/02e5b8d675ec09552f272af94186fbd3.pdf</p> <ul style="list-style-type: none"> Director General Regulation Of Sustainable Production Management No. 14/PHPL/SET/4/2016 - http://silk.dephut.go.id/app/Upload/hukum/20160801/74ffd6341a2b626cd3dd17027f42f661.pdf Letter of the Secretary of the Director General of Sustainable Forest Management Number: SE.2 / SET / KV / 7/2016 on Implementation Announcement Performance Assessment of Sustainable Production Forest Management and Timber Legality Verification (Surat Edaran Sekretaris Direktorat Jenderal 		<ul style="list-style-type: none"> There is a high risk of illegal practice when it comes to the issue of legal documents because there is a high rate of corruption and bribery among officials in the Indonesian forestry sector. Transparency International, in the 2017 Corruption Perceptions Index, ranked Indonesia as 96 out of 180 countries, with a score of 37 which is relatively low (meaning there is a high level of perceived corruption). Indonesia's level of corruption is decreasing (in 2009, the country was ranked 111). The independent Corruption Eradication Commission (Indonesian: Komisi Pemberantasan Korupsi; abbreviated as KPK) was established in 2003 and has brought forest crime suspects to trial. The President of Indonesia (elected in 2014) has a corruption-free record, and a forestry degree. He has appointed a KPK-cleared Minister of Environment and Forestry. (Note this Ministry became a combined Ministry under the new government; previously two separate entities existed, namely the Ministry of Forestry and the Ministry of Environment.) CSOs involved in the VPA process are typically also involved in formulation and revision of the SVLK. They contend that, while some structures for governance improvements, and precedents including multi-stakeholder negotiation were established by the SVLK

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Pengelolaan Hutan Produksi Lestari Nomor: SE.2/SET/KV/7/2016 Tentang Pelaksanaan Pengumuman Penilaian Kinerja Pengelolaan Hutan Produksi Lestari dan Verifikasi Legalitas Kayu).</p> <ul style="list-style-type: none"> Regulation of Minister of Environment and Forestry of The Republic of Indonesia Number P.30/MenLHK/Setjen/PHPL.3/3/2016 concerning Performance Assessment of Sustainable Production Forest Management and Timber Legality Verification on License Holders, Rights Management, or On Private Forest - http://silk.dephut.go.id/app/Upload/hukum/20160513/f5b9fecc8d9b1f3a852c525ea4280df7.pdf Regulation of Minister of Forestry of The Republic of Indonesia Number P.46/Menlhk-Setjen/2015 Concerning Post 		<p>before the VPA began, the VPA and the enhanced political pressure associated has played an important role in strengthening and sustaining the gains made. (Fern, 2016).</p> <ul style="list-style-type: none"> Setyowati et al. (2017) reports on the ongoing debates on the extent to which forest tenure clarification needs to be addressed in the timber legality assurance system, especially considering widespread overlapping tenure claims over forest areas. [...] Currently, the VLK standards merely require documentation showing clarity on the origin of the timber, permits for timber harvesting (if on state forests), proof of land ownership (if on privately owned forest), transport permits, and any other legal documentation required. Setyowati et al. (2017) also state that the ‘focus on official documentation of ownership, harvest, and transport rights is ill suited to address tenure-related corruption and conflicting resource rights. Furthermore, the Indonesian stakeholders interviewed did not view SVLK certification as a promising tool to address these issues in the future either, belying predictions that legality verification is likely to “ratchet up” forest standards (Cashore and Stone 2012) in ways that enhance community rights (Bartley 2014) or contribute

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Audit Guidelines For Holders of Business Permit to Utilize Timber Forest Products and Timber Utilization Permit - http://silk.dephut.go.id/app/Upload/hukum/20160510/5fef83d04d24784ff13bfc296c86a94d.pdf</p> <ul style="list-style-type: none"> • Circular of the Director PPHH No. S.152 / PPHH / SPHH / PHPL.3 / 2/2016 on Audit VLK (Surat Edaran Direktur PPHH Nomor S.152/PPHH/SPHH/PHPL.3/2/2016 tentang Pelaksanaan Audit VLK). • Regulation Of The Director General Of Forestry Production Development Number: P.5/VI - BPPHH/2013 Regarding Guideline For Approval For Access Or Memorandum Of Understanding In The Provision And Service Of Timber Legality Verification Information Via Timber Legality Information System Portal (SILK) - 		<p>to the formalization of local rights as advocated by Obidzinski and Kusters (2015).</p> <ul style="list-style-type: none"> • The recognition of the property right is verified as part of the SVLK certification process. SVLK certification is mandatory for any operator in the forest sector, and SVLK license (V-Legal document/FLEGT License) mandatory for all exports. The SVLK legality certificate ensures that all legal requirements associated with the relevant permit type (legality grid) has been verified as met by a professional auditor. In all 5 legality grids in the VPA annex II (legality definition) the 1st legal requirement covers the "Legal status of area and right to utilise" or "timber ownership" and must be verified through the use of listed verifiers. However, a press release by JPIK in March 2018 (Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management), stated that "during monitoring developed between 2014-2017, several weaknesses in SVLK practice were found, especially in supervision and law enforcement. [...] Almost 50% or 11,2 million hectares of land in North Sumatera, East Kalimantan, and North Maluku were controlled by permit holders corporates (Logging, timber, palm oil, and mining), Only 4% or 812.000 hectare of land were allocated for people in many forms of social

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>http://silk.dephut.go.id/app/Upload/hukum/20160111/a6d39df1cde7d277843d77272e2339d.pdf</p> <ul style="list-style-type: none"> Circular Letter Number: SE.14/VI/BPPHH/2014 Concerning The Obligation of Verification System Application of Timber Legality (As Follow Up Action of Regulation of The Ministry of Forestry Number P.43/MENHUT-II/2014 jo. Regulation of The Ministry of Environment and Forestry Number P.95/MENHUT-II/2014) - <p>http://silk.dephut.go.id/app/Upload/hukum/20150918/2941344a2e5ceb1a2e88f10ba6cb3842.pdf</p> <ul style="list-style-type: none"> Regulation of The Minister of Environment And Forestry of The Republic of Indonesia Number: P.96/Menhut-II/2014 Concerning The Amendement to The Minister of Forestry Regulation Number P.13/MENHUT-II/2013 		<p>forestry (Community Forestry, People's Plantation Forest, Partnership Forestry, Forest Village, and customary Forest). "Beside as direct cause of deforestation, inequality of land tenure in the three provinces also impacted on social conflict happened between the company and the people." Agung continued. Delima Silalahi, Coordinator of Advocacy and Studies Division KSPPM added, "Forest logging which also include incense plantation belongs to the people is still happening at concession area of PT. Toba Pulp Lestari (TPL) at Pollung Sub-District, Humbang Hasundutan District. All this time, concession area of TPL overlapped with customary territories of the indigenous people. Despite being rejected by the indigenous people in the area, the company still tried to enter their customary land".</p> <p>Similar matter also stated by Fathur Roziqin, Executive Director of Walhi in East Kalimantan, "Tenurial conflicts between Lebak Cilong villagers and PT. ITCI Hutani Manunggal (IHM) happened after IHM claimed their right to manage the land which had been managed by the people after getting concession permit from Ministry of Environment and Forestry, whereas the land had been managed by the people from generation to generation". [...]</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Concerning Cost Standard of Performance Assessment of Sustainable Production Forest Management And Timber Legality Verification - http://silk.dephut.go.id/app/Upload/hukum/20150918/1a402402e295d745fdbf7cc4f5e2a3e8.pdf</p> <ul style="list-style-type: none"> Regulation of Director General Forestry Buisness Development Number: P.15/VI-BPPHH/2014 Concerning Stipulation Mechanism of Timber Legality Verification Institution (LVLK) as The Issues of V-Legal Document http://silk.dephut.go.id/app/Upload/hukum/20150918/7e56b1f46d20035db2d84c89fc73fa0a.pdf Regulation of Director General of Forestry Business Management Number P.13/VI-BPPHH/2014 Concerning Guidelines of Timber Legality Certification In Groups - http://silk.dephut.go.id/app/Uploa 		<p>JPIK monitoring resulted in 54 permiits holder with SVLK certificates (PHPL and VLK) still found issues about boundary conflict, low basic rights recognition of the people, and weak forest protection efforts to the holder of IUPHHK-HA and HT.”</p> <p>Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate, for example, to: conflict with local communities and social irregularities, among others”.</p> <ul style="list-style-type: none"> It is important to highlight the concerns raised by Bartley (2014) and EU-Indonesia (2014) (cited by Christine Overdevest & Jonathan Zeitlin, 2016, which can also be found above in the <i>Overview of the forest sector in Indonesia</i> section of this category): “One longstanding point of contention concerns the status of indigenous peoples’ rights to their traditional lands. The dispute goes

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>d/hukum/20150918/3334c98f0ed8ccf952ae03032d876ef5.pdf</p> <ul style="list-style-type: none"> Regulation of the Minister of Forestry Number: P.13 / Menhut-II / 2013 on Standard Cost Assessment of Sustainable Production Forest Management Performance and Timber Legality Verification (Peraturan Menteri Kehutanan Nomor: P.13/Menhut-II/2013 tentang Standar Biaya Penilaian Kinerja Pengelolaan Hutan Produksi Lestari dan Verifikasi Legalitas Kayu) - The use of V-Legal (Penggunaan Tanda V-Legal) Regulation Minister of Forestry P.18 in 2013 - http://silk.dephut.go.id/app/Upload/hukum/20130927/1c2834b717a433b97b98429cde13d614.pdf <p>Other relevant legislation</p> <ul style="list-style-type: none"> Act No 5 Year 1960 on Agrarian Law (State Gazette of the 		<p>back to a 1999 law,²¹ At one point during the multi-stakeholder negotiations over the SVLK, it appeared as if the legality standard for timber harvested on state-owned lands would include an instruction to auditors 'to look at community documentation of traditional/customary rights, agreements between companies and communities, and documentation of how land conflicts have been resolved'. But these criteria were deleted from the final version included in the VPA, though NGOs were hopeful that these issues would be addressed to some extent in the environmental and social impact assessment required by law and included in the legality", and also the concerns raised by Setyowati et al. (2017) in relation to the same topic, mentioned above.</p> <p>In this context, it is relevant to mention that the assessment of this indicator focuses on legislation covering land tenure rights, including customary rights as well as management rights. Therefore, the endorsement of the SVLK cannot be considered as sufficient evidence for the assessment of this indicator.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Republic of Indonesia Year 1960 Number 104, Supplement to State Gazette of the Republic of Indonesia Number 2034) - http://www.bpn.go.id/Publikasi/Peraturan-Perundangan/Undang-Undang/undang-undang-nomor-5-tahun-1960-920</p> <ul style="list-style-type: none"> • Government Regulation No 34 Year 2002 on Forest Land Use and Development of Forest Management Plan (attempted to reduce further the impacts of small-scale logging concessions by making Community Cooperatives (Kopermas) illegal) http://www.bkprn.org/peraturan/the_file/PP_34-2002_TataHutan.pdf • Former Minister of Forestry Regulation No 50 Year 2010 (on procedures for granting an extension of work area IUPHHKHA, IUPHHK-RE, 		consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>IUPHHK-HTI on production forest Article 3 - Article 12)</p> <ul style="list-style-type: none"> • Government regulation No 6 year 2007 on Forest Layout, Forest Management Planning, and Forest Use - http://prokum.esdm.go.id/pp/2007/pp_06_2007.pdf • Government regulation No 27 Year 2012 on Environmental License - http://www.menlh.go.id/DATA/PP-Nomor-27-Tahun-2012.pdf • Government Regulation No 76 Year 2014 on The Stipulation of Business License fee Utilization of Forests - http://www.rimbawan.com/images/stories/aturan-pdf/2014/P%2076%20Menhut%20II%202014.pdf • Trade Minister Regulation No 36 Year 2007 on publishing SIUP in conjunction with Trade Minister Regulation No 46 Year 2009 on 		

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>changes of Trade Minister Regulation No 36 Year 2007. SIUP stands for Surat Izin Usaha Perdagangan and is a business permit.</p> <ul style="list-style-type: none"> • Act No 40 of 2007 on Limited Liability Companies. • Trade Minister Regulation No 46 Year 2009 - http://bp2t.kutakartanegarakab.go.id/v2/read/pdfview/2 • Ministry of Forestry Regulation No.P41/Menhut-II/2014 on Management of Timber forest product from natural forest - http://www.dephut.go.id/uploads/files/eaca23fd3ce906a848b5c0c72d5feaf6.pdf • Ministry of Forestry Regulation No.P42/Menhut-II/2014 on Management of Timber forest product from production forest - http://www.dephut.go.id/uploads/files/39ccc39763369bc4fb6ac9df849b22c3.pdf 		

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> President Instruction No 10 Year 2011 on Suspension of Granting of New Licenses and Improvement of Governance of Natural Primary Forest and Peat Land in conjunction with Presidential Instruction No 6 Year 2013 and Peat Land in conjunction with President Instruction No 6 Year 2013. <p>Legal Authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF) "Kementarian Lingkungan Hidup dan Kehutanan". Ministry of Trade. Bupatis (Regent) and Town Mayors have the authority to send a technical request to the Governor. Based on technical consideration, the Governor has the authority to send a 		

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>recommendation letter to the MoEF.</p> <ul style="list-style-type: none"> The Coordinating Agency for Surveys and National Mapping (Badan Koordinasi Survey dan Pemetaan Nasional/BAKOSURTANAL) is the agency with the authority to release information about the proposed location of companies who apply for management rights. <p><i>Legally required documents or records</i></p> <ul style="list-style-type: none"> Concessions within Production Forest Zones <ul style="list-style-type: none"> Timber utilisation permit (IUPHHK-HA or IUPHHK-RE or IUPHHK-HP) Forest concession right certificate 		

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> - Proof of payment for the timber forest product utilisation permit. - Proof of other legal area utilisation permit (if any) • Community plantation forests and community forests within Production Forest Zones <ul style="list-style-type: none"> - Timber utilisation permit (IUPHHK) - Forest concession right certificate - Proof of payment for the timber forest product utilisation permit. - Deed or proof of business establishment. • Privately-owned forests <ul style="list-style-type: none"> - Valid land ownership or land tenure documents (land title documents recognised by competent authorities) - Land Cultivation Right. 		

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> - Deed or proof of Establishment of the Company - Business license for companies engaging in trading business (SIUP) - Company registration (TDP) T - tax payer registration (NPWP) - OSH Document - Collective labour agreement documents or company policy documents on labour rights • Land Cultivation Right. <ul style="list-style-type: none"> - Deed of Establishment of the Company Business licence for companies engaging in trading business (SIUP) - Company registration (TDP) 		

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> - Tax payer registration (NPWP) - OSH Document Collective labour agreement documents or company policy documents on labour rights - Map of the area of private forest and boundaries delineated on the ground. • Timber utilisation rights within Non-Forest Zones or from Convertible Production Forest <ul style="list-style-type: none"> - Other Legal Permit (ILS) / conversion permits (IPK) for harvesting operations in the lease area (including applicable environmental impact assessment/EIA document of non-forestry business). 		

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
1.2 Concessions on licenses	<p>Applicable legislation</p> <ul style="list-style-type: none"> Act No 5 Year 1960 on Agrarian Law (State Gazette of the Republic of Indonesia Year 1960 Number 104, Supplement to State Gazette of the Republic of Indonesia Number 2034) - http://www.bpn.go.id/Publikasi/Pe-raturan-Perundangan/Undang-Undang/undang-undang-nomor-5-tahun-1960-920 Act No 41 Year 1999 on Forestry http://prokum.esdm.go.id/uu/1999/uu-41-1999.pdf Directorate General of Tax Regulation No 20 Year 2013 Chapter 2 Point C, Chapter 6 point C in Conjunction with Directorate General No 38 year 2013 Chapter 6 point c. - http://www.ortax.org/ortax/?mod=aturan&page=show&id=15280 Directorate General of MoEF Regulation Number P.2/VI- 	<p>Government Sources</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66befa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - 	<p>Overview of Legal Requirements</p> <p>Forest operations and timber production in state forests is only permitted in production forests through the granting of forest concessions (business licenses) to individuals, cooperatives, private enterprises, state-owned and regional enterprises (concessionaires). The government does not regulate forest management operations of rights-based forests (hutan hak) (CSG 2015).</p> <p>In the case of private land, there are no legal requirements for concession licenses.</p> <p>Only the Minister of MoEF has the right to issue forestry concession licenses. The following forest management permits are legal in Indonesia:</p> <ul style="list-style-type: none"> IUPHHK-RE “Izin Usaha Produk Hasil Hutan Kayu-Restorasi Ekosistem” which translates into Business Licence of Forest Timber Production for a Restoration Ecosystem, IUPHHK-HA “Hutan Alam” which is a Permit for Natural Forests, IUPHHK-HTI “Hutan Tanaman Industri” is an Industrial Plantation Permit, IUPHHK-HD “Hutan Desa” is a Village Forest Management Permit without commercial timber sales, and

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>BUHT/2014 on Guidelines for Preparation, Appraisal, Approval and Reporting Annual Work Plan and Work Chart In Timber Forest Product Utilization in Natural Forest - www.dephut.go.id/index.php/news/details/9606</p> <ul style="list-style-type: none"> Directorate General of MoEF Number P.7/VI-BUHT/2014 on Guidelines For Preparation, Assessment and Work Plan Approval in Business Utilization of Forest Timber Forest Industrial Plant - http://www.dephut.go.id/uploads/files/dfdd61271087a2f95388e287b39f4097.pdf Regulation of the Director General of Taxation - PER - 38 / PJ / 2013, 8 Nov 2013 - http://www.ortax.org/ortax/?mod=aturan&page=show&id=15401 <p>See 1.1. Applicable laws and regulations covering Voluntary</p>	<p>http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b</p> <ul style="list-style-type: none"> Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment 	<ul style="list-style-type: none"> IUPHHK-HTR “Hutan Tanaman Rakyat” which is Community Plantation Forest, up to 700ha. <p>These may be allocated to individuals, cooperatives, private sector companies or state-owned enterprises. The permit term is 55 years for concession areas where logging will occur, but 100 years if timber is harvested from plantations. Harvesting on concessions is regulated according to these various types of Concession Permits and Licenses (IUPHHK), issued by the Ministry of Environment and Forestry (MoEF), which defines boundaries, areas, duration and harvestable timber species. the Ministry of Forestry as the primary body to administrate the handling of licensing, permitting, and extraction of commercial timber operations in Indonesia.</p> <p>A moratorium on granting new licenses has been in place in Indonesia since 2011 and was renewed in 2014 under the new Government. (See 'Legal Framework Overview' for more details.). The moratorium only applies to primary natural forests and peat lands. This moratorium has not slowed actual deforestation, but has slowed the practice of issuing licenses, which is expected to slow down deforestation in the mid to long-term.</p> <p>Note that the moratorium for new licenses does not apply for all forest areas, only peat lands and primary forest areas.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Partnership Agreement with the European Union and INDO-TLAS/Sistem Verifikasi Legalitas Kayu (SVLK)</p> <p>Legal authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF). Directorate General of Tax Directorate general of MoEF The Forest Planning Agency is the agency to release information about potential locations of concessions. With this mapped recommended location, a given company can apply for management rights with the MoEF. The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. 	<p>s/euflegt/briefing_note_indonesia%20en.pdf</p> <p>Non-Government Sources</p> <ul style="list-style-type: none"> Jikalahari, 2015. <i>Segera tetapkan rusli zainal dan korporasi kehutanan di riau sebagai tersangka korupsi!</i> (About the prosecution of corrupt officials in the Riau province). Available online: http://www.jikalahari.or.id/index.php?option=com_content&view=article&id=198%3Asegera-tetapkan-rusli-zainal-dan-korporasi-kehutanan-di-riau-sebagai-tersangka-korupsi&catid=39%3Ajikalahari-news&Itemid=134&lang=en. Accessed 7 February 2017. Mongabay Indonesia. <i>KPK Didesak Tuntaskan Aktor-Aktor Korupsi Perizinan Kehutanan Riau (on corruption in Riau Province)</i>. Available online: http://www.mongabay.co.id/2013/01/17/kpk-didesak-tuntaskan-aktor-aktor-korupsi-perizinan-kehutanan-riau/, accessed 7 February 2017. 	<p>There are specific areas that the moratorium does not apply to, called PIPIB (Peta indicatif Penundaan Ijin Baru / Indicatif map for new license). This map is updated every 6 months (visit this site http://webgis.dephut.go.id:8080/kemenhut/index.php/id/peta/pippiblicenses). The areas of forests not included in the moratorium include selectively logged forest, mature secondary (regrowth) forest, and limited primary forest demarcated via 2009 satellite image interpretation by the MoF.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> Historically, there have been reports of bribery associated with the process of obtaining a concession licenses in Indonesia. According to experts consulted in the preparation of this report, it is common practice for government officials to delay the process of obtaining a license until additional illegal payments (or other kinds of bribes) have been paid. A company that provides bribes to individuals within the authorized institutions is more likely to get a license more easily. Stakeholders consulted in the preparation of this report (including through FSC led stakeholder consultation process) noted the risks associated with corruption and bribery are more centered on older forest licenses,

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> GANISPHPL is a technician with official training in one of 19 specified tasks. For example, the GANISPHPL-CANHUT conducts forest inventory, creates annual logging work plans, conducts timber cruising, or creates maps in the concession. Another example is the GANISPHPL-BINHUT who is trained in land preparation, monitoring harvest areas, managing protected forest, fire control, responding to illegal logging, protection of endangered flora and fauna and the implementation of environment impact analysis as well as managing social conflict and collaboration with Indigenous people. The GANISPHPL-KURPET technician has official training to measure land and create topographic maps, interpretation maps, and work with satellite images. 	<ul style="list-style-type: none"> Environmental Investigation Agency (EIA) study, dated Dec 2014: PERMITTING CRIME: How palm oil expansion drives illegal logging in Indonesia http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017. Diana Parker for Mongabay, 2014. <i>Indonesia politician gets 14 years in jail for illegal permits, forest corruption</i>. Available online: http://news.mongabay.com/2014/0313-dparker-zainal-corruption-riau.html, accessed 7 February 2017. 'Court Rules in Favor of Transparency' http://www.fern.org/taxonomy/term/179/fe ed last accessed 9/25/2015. Forest Watch Indonesia, 2015. <i>Appeal Rejected, The Ministry of Environment and Forestry to Be Sued Openly</i>. Available online: http://fwi.or.id/english/publikasi/appeal-rejected-the-ministry-of-environment-and-forestry-to-be-sued-openly/, accessed 7 February 2017. 	<p>issued prior to the moratorium. Nevertheless, stakeholders that participated in the consultation meeting held on 11 July 2018 raised their concern because there is no clear demarcation of peatland and primary forest in the country. According to them, in order to provide new licenses in not clearly demarcated areas, potential bargaining processes happen which involve bribery. During these negotiations between companies and MoEF, only a statement that the area does not contain peatland or primary forest is accepted in order to grant new licenses.</p> <ul style="list-style-type: none"> Despite the moratorium, there are continued instances of corruption and bribery with the issuing of concession licenses and logging permits. For instance, in 2014 the former governor of Indonesia's Riau province was sentenced to 14 years in prison and ordered to pay almost \$90,000 USD in fines for illegally issuing logging permits (RKT "Rencana Kerja Tahunan" without approval from the Minister of MoEF) and accepting bribes linked to construction projects for sports facilities in Riau (Mongaby 2014). Many stakeholders are looking to the SVLK system to resolve the corruption and bribery issues associated with the issuance of concession licenses in Indonesia.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p><i>Legally required documents or records</i></p> <ul style="list-style-type: none"> • A Registered Tax Number must be obtained. • A Receipt of Payment of Invoice from the Registration Fund must be obtained. • An Annual Work Plan and a Ten-Year Work Plan have to be provided. <p>NOTE: Currently there is a Presidential moratorium prohibiting new forestry concession licenses from being issued. After the lift of this moratorium and before the Minister of MoEF can issue a license, the Ministry must obtain a recommendation letter from the Bupati (Regent) or Mayor of the area where the company wants to rent the land. After the recommendation letter is obtained, the Ministry is required to check that all requirements are fulfilled.</p>	<ul style="list-style-type: none"> • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. • United Nations Office on Drugs and Crime (UNODC) (undated). Indonesia - Forest Crimes. Available at https://www.unodc.org/southeastasiaandpacific/en/indonesia/forest-crime.html [Accessed 13 September 2016]. • Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. 	<ul style="list-style-type: none"> • Overdevest & Zeitlin (2016) state that Independent Monitors complained that the VPA fails to tackle the legality of permit allocation. CABs are required to consider only 'the existence of a permit document, without examining the process of the issuance of the permit' (Indonesia NGO interview 2014). JPIK has therefore argued that the SVLK needs to be revised to oblige auditors to check whether permits are issued in violation of officially designated area functions, and/or in response to side payments or other forms of corruption (JPIK 2014). • Overdevest & Zeitlin further state that the Joint Assessment of the SVLK and associated Action Plans failed to require specific measures to corruption in the permit allocation process. Instead, the Joint Assessment merely acknowledged this concern, and requested Indonesia to 'elaborate...its reasons why the description of processes to allocate forest resources and to issue rights to harvest are not included in the standards in the SVLK regulation' (Indonesia-EU 2014). According to one EU interviewee, this request was 'batted back on the grounds that the historical corruption that went on in the distribution of licenses, there's very little you can do about that without raising so many skeletons in cupboards that you'd need to have a major and

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> JPIK, 2014. SVLK in the Eyes of the Monitor: Independent Monitoring and a Review of the Implementation of the Timber Legality Verification System, 2011-2013, http://fwi.or.id/english/wp-content/uploads/2014/11/JPIK_SVLK-in-teh-Eye-of-the-Monitor.pdf, accessed 1 May 17. SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC. 	<p>wholesale review of licenses...' (EU advisor interview 2016). Nevertheless, civil society organizations continue to pursue this issue using another platform, namely the 2008 Public Information Law. After the MoEF rejected requests from Forest Watch Indonesia and ICEL for information on permits, claiming that this fell outside the law, FWI submitted a complaint to an administrative court, the Central Information Commission, and won the case, with the court ruling in May 2015 that such information must be made public. The MoEF appealed the decision, and on August 26 the Commission rejected the appeal reaffirming the ministry's obligation to release permit information publicly.</p> <ul style="list-style-type: none"> The first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), did not raise concerns regarding non-compliances specific to concession licenses requirements. Furthermore, it is important to highlight the concerns raised by JPIK (2014) and Setyowati & McDermott (2017) (detailed information is provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), that as part of the SVLK system, CABs are required to consider only the existence of a concession license

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>document, without examining the process of the issuance of the concession, which might have implications on detecting concession licenses that have been issued through corruption.</p> <p>Due to the fact that corruption and bribery might be an issue in the issuance process of new concession licenses, precautionary approach has been applied, thus specified risk is considered for the country, except in private land where this indicator is N/A.</p> <p>Risk conclusion</p> <ul style="list-style-type: none"> • This indicator has been evaluated as N/A for private land because there are no legal requirements, and as specified risk for the rest of the country. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities. <p>In this context, it is relevant to mention that the assessment of this indicator focuses on the procedures for issuing forest concession licenses. Therefore, the endorsement of the SVLK cannot be considered as sufficient evidence for the assessment of this indicator.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
1.3 Management and harvesting planning	<p>Applicable laws</p> <p>For concessions within production forest zones (State owned)</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P62/2008 Regulation of the Minister for Forestry P56/2009 Regulation of the Minister for Forestry P60/2011 Regulation of the Minister for Forestry P.33/2014 <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P62/2008 For timber utilisation rights within non-forest zones or from convertible production forest <p>For timber utilisation rights within non-forest zones or from convertible production forest</p>	<p>Government Sources</p> <ul style="list-style-type: none"> Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee 	<p>Overview of Legal Requirements</p> <p>In principle, all trees in Indonesia may be harvested, except those designated as endangered and set out in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) appendix. The utilization of timber from state forests is governed by Law No. 41 of 1999 on Forestry, Government Regulation No. 6 of 2007 regarding procedures and forest management plans and utilization of forests, as well as Ministry of Forestry regulations. In principle, Law No. 41 of 1999 regulates forest management based on sustainable forest management principles (CSG 2015).</p> <p>The government has survey teams and auditors (WASGANISPHPL-CANHUT and WASGANISPHPL-BINHUT) who are evaluating the described management plans (RKT/RKU). If a company does not provide the RKU and RKT or if there are mistakes in these plans, the company will face one of the following:</p> <ol style="list-style-type: none"> temporary suspension of administrative services; temporary suspension of fieldwork; a fine; reduction of production quota; revocation of the permit.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Forestry P62/2008 Regulation of the Minister for Forestry P53/2009 <p>Other relevant regulations</p> <ul style="list-style-type: none"> Government Regulation No 35 Year 2002 on Reforestation Fund www.bpkp.go.id/uu/filedownload/4/63/1076.bpkp Directorate General of MoEF Regulation Number P.2/VI-BUHT/2014 on Guidelines for Preparation, Appraisal, Approval and Reporting Annual Work Plan and Work Chart In Timber Forest Product Utilization in Natural Forest - www.dephut.go.id/index.php/news/details/9606 Directorate General of MoEF Number P.7/VI-BUHT/2014 on Guidelines for Preparation, Assessment and Work Plan 	<p>.pdf/b8eebb8e-8f86-4319-94db-b66befa9282c</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/1018 	<p>Fulfilment of the obligations as stipulated by the laws and regulations is audited by an independent agency in accordance with Minister of Forestry Regulation No. 43 of 2014, which outlines the performance assessment of sustainable forest management and timber legality verification of the licence holder or forest subject to rights.</p> <p>The licence holder of forest products utilization that passes the sustainable forest management audit obtains a Sustainable Forest Management Certificate/Sertifikat Pengelolaan Hutan Produksi Lestari (PHPL) or a Timber Legality Certificate/Sertifikat Legalitas Kayu (SLK). For the wood industry, it is compulsory to obtain a Timber Legality Certificate (CSG 2015).</p> <p>FOR TIMBER FROM STATE-OWNED FORESTS (covers Company managed Concessions, Forests Harvested by a State Company, Community or privately managed forests and Timber utilisation rights) the following felling Site legality verification activities are mandatory:</p> <ol style="list-style-type: none"> 1. <i>Timber cruising</i> (enumeration of trees for natural forest concessions or Perum Perhutani) or <i>timber inventory</i> (for plantation forest concessions or to propose an IPK): <ul style="list-style-type: none"> o Conducted by the permit holder using tags with three detachable sections, one is attached to the

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Approval in Business Utilization of Forest Timber Forest Industrial Plant - http://www.dephut.go.id/uploads/files/dfdd61271087a2f95388e287b39f4097.pdf</p> <ul style="list-style-type: none"> Minister of MoEF Regulation No P.11/Menhut/2009 in conjunction with Minister of Forestry Regulation No P.65/Menhut-II/2014 - storage.jak-stik.ac.id/ProdukHukum/kehutan an/P11_09.pdf Government regulation No 6 year 2007 on Forest Layout, Forest Management Planning, and Forest Use In Conjunction with Government Regulation No 3 Year 2008 on Changes of Government Regulation No 6 Year 2007 - http://prokum.esdm.go.id/pp/2007/pp_06_2007.pdf Minister Regulations No. 50 of 2010 and No. 12 of 2012 specify 	<p>0/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c</p> <ul style="list-style-type: none"> EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment/s/euflegt/briefing_note_indonesia%20en.pdf <p>Non-Government Sources</p> <ul style="list-style-type: none"> Made Ali for mongabay.co.id, 2013. <i>KPK Urged to Complete Actors Corruption Riau Forestry Licensing</i>. Available online at http://www.mongabay.co.id/2013/01/17/kpk-didesak-tuntaskan-aktor-aktor-korupsi-perizinan-kehutanan-riau/, accessed 25 January 17. Diana Parker for mongabay.com, 2014. <i>Indonesia politician gets 14 years in jail for illegal permits, forest corruption</i>. Available online at http://news.mongabay.com/2014/0313-dparker-zainal-corruption-riau.html>, accessed 25 January 17. 	<p>stump, one to the harvested log, and one to the operator report.</p> <ul style="list-style-type: none"> Each section of the tag contains the necessary information required for timber tracking, including the number of the tree and its location. <p>2. Preparation of a <i>Timber Cruising Report</i> or <i>Timber Inventory Report</i> by the permit holder:</p> <ul style="list-style-type: none"> contains information on the number, estimated volume, preliminary species identification, and location of trees (or harvesting location for plantation forest concessions or IPK) to be harvested. Must be in the prescribed Ministry of Forestry form. <p>3. Verification and approval of the Timber Cruising Report or Timber Inventory Report by the district forestry official:</p> <ul style="list-style-type: none"> The permit holder submits the Timber Cruising Report/ Timber Inventory Report to the district forestry official. The official conducts both a document-based and field verification of the Timber Cruising Report or the Timber Inventory Report on a sample basis. The official approves the Report if all declared data match field observations.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>the certainty of the utilization area.</p> <p><u>See 1.1. Applicable laws and regulations</u> covering Voluntary Partnership Agreement with the European Union and INDO-TLAS/Sistem Verifikasi Legalitas Kayu (SVLK)</p> <p>Legal authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF). Directorate General of MoEF. The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. GANISPHPL-CANHUT stands for Tenaga Teknis Pengelolaan Hutan Produksi Lestari - Perencanaan Hutan, which means "Technical Person of Sustainable Forest Management - Forest 	<ul style="list-style-type: none"> Environmental Investigation Agency (EIA), 2014: <i>PERMITTING CRIME: How palm oil expansion drives illegal logging in Indonesia</i>. Available online at http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 25 January 17. Jikalahari, 2015. <i>Segera tetapkan rusli zainal dan korporasi kehutanan di riau sebagai tersangka korupsi!</i> (About the prosecution of corrupt officials in the Riau province). Available online: http://www.jikalahari.or.id/index.php?option=com_content&view=article&id=198%3Asegera-tetapkan-rusli-zainal-dan-korporasi-kehutanan-di-riau-sebagai-tersangka-korupsi&catid=39%3Ajikalahari-news&Itemid=134&lang=en. Accessed 7 February 2017. Mongabay Indonesia. <i>KPK Didesak Tuntaskan Aktor-Aktor Korupsi Perizinan Kehutanan Riau</i> (on corruption in Riau Province). Available online: http://www.mongabay.co.id/2013/01/17/k 	<ol style="list-style-type: none"> Submission of a <i>Proposed Annual Work Plan</i> (or Work Plan/Bagan Kerja to propose an IPK) by the permit holder. Approval of the Annual Work Plan (or Work Plan/Bagan Kerja for IPK) by the provincial forestry official: <ul style="list-style-type: none"> Prepared by the permit holder and submitted to the district forestry officer for review and to the provincial forestry officer for approval. The Timber Cruising Report (or the Timber Inventory Report) provides the basis for the Proposed Annual Work Plan (or Work Plan/Bagan Kerja). The district forestry official reviews and cross-checks the Proposed Annual Work Plan (or Work Plan/Bagan Kerja) against the approved Timber Cruising Report (or the Timber Inventory Report) and approves the work plan if all is in order. The official approval is not required for a permit holder who has passed SFM certification with a good grade as described in TLAS Guidelines. Once the Annual Work Plan (or Work Plan/Bagan Kerja) is approved by the official, the permit holder is allowed to commence harvesting operations;

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Planning" and this is the authorized person with the capability to conduct forest inventory, create annual felling work plans, plan timber cruising, make work plans, and make working maps of the concession</p> <p>Legally required documents or records</p> <p>In general, after a company has obtained a concession permit (IUPHHK), the company has to develop Ten Year Work Plans (RKUPHHK) and Annual Work Plans (RKTUPHHK).</p> <p>For concessions within production forest zones</p> <ul style="list-style-type: none"> The approved master plan & attachments (drawn up based on a comprehensive forest inventory conducted by technically competent staff) 	<p>pk-didesak-tuntaskan-aktor-aktor-korupsi-perizinan-kehutanan-riau/, accessed 7 February 2017.</p> <ul style="list-style-type: none"> Forest Watch Indonesia, 2015. <i>Appeal Rejected, The Ministry of Environment and Forestry to Be Sued Openly</i>. Available online: http://fwi.or.id/english/publikasi/appeal-rejected-the-ministry-of-environment-and-forestry-to-be-sued-openly/, accessed 7 February 2017. Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. 	<ul style="list-style-type: none"> Note that an operator holding a valid SFM certificate issued under the SVLK can self-approve and issue his Annual Work Plan. Conformity of the Annual Work Plan is verified by the CAB when carrying out initial and surveillance audits. <p>6. Harvesting operations</p> <ul style="list-style-type: none"> Carried out by the permit holder, including skidding of logs to the log-landing site. During harvesting operations, tags are used to ensure that the log is from an approved felling site, as described above. For planted trees or trees harvested in plantation forest concessions (for pulp or chip purposes), <u>tags are not required</u>. <p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> IPK/ILS plan and implementation must comply with land use planning, and an approved work plan must be in place for the areas covered by IPK/ILS. <p>FOR PRIVATELY OWNED FORESTS/LANDS - Timber harvesting operations on privately-owned forests/lands are</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> The approved annual work plan (drawn up based on the master plan) Maps (drawn up by technically competent staff, which describe the layout and boundaries of the areas covered by the plan of work) Map indicating logging exclusion zones within the Annual Work Plan and evidence of implementation on the ground. Harvesting locations (blocks or compartments) on the map are clearly marked and verified on the ground. Timber forest product utilisation master plan document & attachments (on going applications are acceptable). The location and extractable volumes of natural forest logs within areas to be harvested correspond with the work plan. 	<ul style="list-style-type: none"> United Nations Office on Drugs and Crime (UNODC) (undated). Indonesia - Forest Crimes. Available at https://www.unodc.org/southeastasiaandpacific/en/indonesia/forest-crime.html [Accessed 13 September 2016]. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.depht.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A 	<p>regulated by Minister of Forestry Regulation P.30/ Menhut-II/2012 (hereinafter referred to as the Regulation).</p> <p>There are no legal requirements for the private owners of forests/lands to affix ID tags or marks on trees inventoried for harvesting.</p> <p>Control procedures for timber from privately-owned forests/lands differ between logs obtained from trees which were on the site when the land title was acquired, and logs obtained from trees that have been established since the title was acquired. They also depend on the tree species harvested.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> Historically, the government oversight process for approving management plans has led to delays in getting their management plans approved. According to expert input into this report, there has been a risk that inaccurate/unlawful management and harvesting plans are approved. In the absence of evidence, government audits should not be assumed free of wrongdoing, it is a fact that salaries in the public sector in Indonesia, while increasing, but still low; which places these government surveyors and auditors at risk of being bribed. Most

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> • Approved annual work plan document. • Map indicating logging exclusion zones in the annual work plan and evidence of implementation on the ground. • Harvesting block location are clearly marked and can be verified on the ground. • Timber Forest Product Utilisation Master Plan document and attachments (on-going applications are acceptable) <p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> • IPK/ILS work plan documents 	<p>full list of experts consulted has been provided to FSC.</p>	<p>commonly, bribes may simply be used to speed up the process of getting approvals for management plans. This risk has been confirmed during interviews with concession managers. (See description in relation to indicator 1.1 about the rate of corruption in Indonesia.). During public stakeholder consultation on this document, it was pointed out by one stakeholder that this risk may be limited in scope as bribes to obtain licenses would not be paid to field officers, but only to those issuing the licenses. This should be taken into consideration when evaluating and specifying this risk in practice.</p> <ul style="list-style-type: none"> • In the EIA study, the example is given of "the Supreme Audit Agency (BPK) investigated five companies in Kalteng to assess their compliance with IPK regulations. All five had failed to report commercial timber stands extracted during clearance and authorities had failed to check or monitor their activities." The former governor of Indonesia's Riau province has been sentenced to 14 years in prison and ordered to pay almost \$90,000 in fines for illegally issuing logging permits (RKT "Rencana Kerja Tahunan" without approval from the Minister of MoEF) and accepting bribes linked to construction projects for sports facilities in Riau (Mongaby 2014). • Management harvesting and planning has not consistently been raised as an issue with SVLK by

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>commentators and the existence of plans is specifically checked as part of the PHPL certificate, but not the case for SLK certificate (corroborated through the stakeholder consultation in July 2018). Furthermore, the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), did not raise concerns regarding non-compliances specific to management and harvesting planning requirements.</p> <p>Taking into consideration that no issues related to management and harvesting planning requirements have been raised in the first Periodic Evaluation of the FLEGT VPA developed by SUCOFINDO, this indicator is considered low risk for state-owned forests with PHPL certificates. As already mentioned in the Note in the <i>Overview of the forest sector in Indonesia</i> section of this category, in the case of private tree plantations, it is not possible to consider the endorsement of SVLK system as sufficient, as there is no data available on the use of DKPs. Furthermore, based on the fact that there are forests that remain without SVLK certification, and taking into account the lack of data to assess these forests, precautionary approach has been applied, thus specified risk is considered for the rest of the country.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>Risk Conclusion</p> <p>This indicator has been evaluated as N/A for private land because there are no legal requirements for management and harvesting planning, and as low risk for state forest with PHPL certificates. Threshold (1) is met: Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.</p> <p>This indicator has been evaluated as specified risk for the rest of the country. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>
1.4 Harvesting permits	<p>Applicable legislation</p> <p>For Concessions within Production Forest Zones</p> <ul style="list-style-type: none"> Act No 41 Year 1999 on Forestry http://prokum.esdm.go.id/uu/1999/uu-41-1999.pdf Government Regulation PP72/2010 Regulation of the Minister for Forestry P12/2010 	<p>Government Sources</p> <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest- 	<p>Overview of Legal Requirements</p> <p>There are fifteen timber harvesting permit types/rights in Indonesia, they are:</p> <ol style="list-style-type: none"> IUPHHK-HA/HPH - Permit to utilise timber from natural production forests - State owned/company managed IUPHHK-HTI/HPHTI - Permit to establish and manage industrial plantation forest - State owned/company managed IUPHHK-RE-Permit for forest ecosystem restoration - State owned/company managed

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Forestry P.30/2014 Regulation of the Minister for Forestry P.31/2014 Regulation of the Minister for Forestry P.33/2014 Regulation of the Minister for Forestry P.76/2014 <p>Community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P37/2007 Regulation of the Minister for Forestry P49/2008 Regulation of the Minister for Forestry P12/2010 Regulation of the Minister for Forestry P55/2011 Regulation of the Minister for Forestry P43/2014 <p>Privately-owned forests</p> <ul style="list-style-type: none"> Act 5/1960 	<p>policies/illegal-logging/indonesia-country-specific-guideline.pdf</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66befa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - 	<ol style="list-style-type: none"> Forest management right (Perum Perhutani) - Right to manage plantation forest - State owned/company managed (state company) IUPHHK-HTR - Permit for community or private forest plantation - State owned/community or privately managed IUPHHK-HKM - Permit for community forest management - State owned/community managed IUPHHK-HD - Permit for village forest management - State owned/managed by a single village IUPHHK-HTHR - Permit to utilise timber from reforestation areas - State owned/community or privately managed Private Land - No permit required - Privately owned/privately utilised IPK/ILS - Permit to utilise timber from non-forest zones or from convertible production forest - State owned/privately utilised IUIPHHK - Permit for establishing and managing a primary processing company - Not applicable IUI Lanjutan or IPKL - Permit for establishing and managing a secondary processing company - Not applicable TPTs (TPT, TPT-KB, TPT-KO) - Registered timber/processed-timber depots - Not applicable

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Forestry P33/2010 Government Regulation PP12/1998 Regulation of the Minister for Trade 36/2007 Regulation of the Minister for Trade 37/2007 Act 6/1983 Regulation of the Minister for Forestry P43/2014 <p>Timber utilisation rights within Non-Forest Zones or from Convertible Production Forest</p> <ul style="list-style-type: none"> Government Regulation PP27/2012 <i>Within non-forest zone without altering the legal status of the forest.</i> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P18/2011 	<p>http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b</p> <ul style="list-style-type: none"> Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment 	<p>14. IRT - Household industry - Not applicable 15. ETPIK Non-Producer - Non-producer registered exporters - Not applicable</p> <p>Government Regulation No. 6 of 2007 regulates the legal subjects entitled to take advantage of state forests for production; the different types of forest use; procedures for the application of permits; the duration, extension and cancellation of permits; procedures and requirements for a business licence under primary industry; the rights and obligations of the licensee; the distribution and marketing of forest products; guidance and control; and sanctions (Indonesian Country Specific Guideline 2014).</p> <p>The SVLK covers timber and timber products from all permit types as well as the operations of all timber traders, downstream processors and exporters. The SVLK requires that imported timber and timber products are cleared at customs and comply with Indonesia's import regulations.</p> <p>The permit holder (in the case of concessions), landowner (in the case of private land) or company (in the case of traders, processors and exporters) shall demonstrate that every node of their supply chain is controlled and documented. All consignments in the supply chain must be accompanied by relevant transport documents. Business entities must apply appropriate systems to recognize timber and timber products</p>

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	<ul style="list-style-type: none"> ○ Regulation of the Minister for Forestry P59/2011 ○ Regulation of the Minister for Environment 05/2012 • <i>Within non-forest zone which leads to a change in the legal status of the forest</i> <ul style="list-style-type: none"> ○ Regulation of the Minister for Forestry P33/2010 ○ Regulation of the Minister for Forestry P14/2011 ○ Regulation of the Minister for Forestry P59/2011 ○ Regulation of the Minister for Environment 05/2012 ○ Regulation of the Minister for Forestry P14/2011 • <i>Within non-forest zone.</i> 	<p>s/euflegt/briefing_note_indonesia%20en.pdf</p> <p>Non-Government Sources</p> <ul style="list-style-type: none"> • Forest Trends (2015). Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. • Environmental Investigation Agency (EIA) study, dated Dec 2014: PERMITTING CRIME: How palm oil expansion drives illegal logging in Indonesia http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017. • WWF Germany, 2011. Fighting illegal logging through the introduction of a combination of the isotope method for identifying the origins of timber and DNA analysis for differentiation of tree species. Available online: 	<p>from verified sources and impounded timber and timber products and maintain records that distinguish between these two sources. Companies at each point in the supply chain are required to record whether the involved logs, products or timber consignment are TLAS-verified.</p> <p>All operators in the supply chain are required to keep records on received, stored, processed and delivered timber and timber products to enable subsequent reconciliation of quantitative data between and within nodes of the supply chain. Such data shall be made available for provincial and district forestry officials to carry out reconciliation tests.</p> <p>The following legal requirements apply to the different source types, and are verified as part of the SVLK certification process:</p> <p>For concessions within Production Forest Zones:</p> <ul style="list-style-type: none"> • Forest management unit (concessionaires) must be located within the production forest zone and a Permit holder must be able to demonstrate that the timber utilisation permit (IUPHHK) is valid. <p>For community plantation forests and community forests within Production Forest Zones:</p> <ul style="list-style-type: none"> • Forest management unit must be located within the production forest zone and a Permit holder must be able

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Forestry P14/2011 Regulation of the Minister for Environment 05/2012 <p>See also the legislation listed for the SVLK and VPA in 1.1.</p> <p>Legal authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF). Directorate General of Minister of MoEF. The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. GANISPHPL-CANHUT stands for Tenaga Teknis Pengelolaan Hutan Produksi Lestari - Perencanaan Hutan, which means "Technical Person of Sustainable 	<p>http://www.wwf.de/fileadmin/user_upload/Bilder/Final_Report_project_DBU_WWF_wood_fingerprinting_11_2011.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> Mongabay Indonesia, 2014. <i>EIA Reports Reveal Illegal timber from Oil Palm Plantations</i>. Available online: http://www.mongabay.co.id/2014/12/17/la-poran-eia-ungkap-kayu-kayu-ilegal-dari-kebun-sawit/, accessed 8 February 2017. Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf, accessed 7 February 2017. Diana Parker for Mongabay, 2014. <i>Indonesia politician gets 14 years in jail for illegal permits, forest corruption</i>. Available online: http://news.mongabay.com/2014/0313-dparker-zainal-corruption-riau.html, accessed 7 February 2017. 	<p>to demonstrate that the timber utilisation permit (IUPHHK) is valid.</p> <ul style="list-style-type: none"> Business unit in the form of group - The business group is legally established. <p>For Privately-Owned Forests</p> <ul style="list-style-type: none"> A Private land or forest owner must be able to prove ownership or use rights of the land. The Business unit in the form of groups is legally established and registered. <p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> Within non-forest zone without altering the legal status of the forest, a harvesting operation must be authorised under either another Legal Permit (ILS)/conversion permits (IPK) in a lease area. Note: This also applies for areas previously categorised as Reforestation-based Plantation Forest (HTHR) Within the non-forest zone which leads to a change in the legal status of the forest, Timber harvesting is authorised under a land conversion permit (IPK). Note: This also applies for area previously categorised as Reforestation-based Plantation Forest (HTHR) and Conversion permit (IPK) for transmigration settlement

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	<p>Forest Management - Forest Planning" and this is the authorized person with the capability to conduct forest inventory, create annual felling work plans, plan timber cruising, make work plans, and make working maps of the concession.</p> <p>Legally required documents or records</p> <ul style="list-style-type: none"> • Concession License from MoEF. • Annual Work Plan sent to the Provincial Department of Environment and Forestry with a recommendation letter from the District Department of Environment and Forestry. • The Ten-Year Work Plan (as distinct from the Annual Work Plan) is to be approved by the MoEF. • Legal Documentation of Forest Products from the MoEF. 	<ul style="list-style-type: none"> • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. • United Nations Office on Drugs and Crime (UNODC) (undated). Indonesia - Forest Crimes. Available at https://www.unodc.org/southeastasiaandpacific/en/indonesia/forest-crime.html [Accessed 13 September 2016]. • Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. 	<ul style="list-style-type: none"> • Within the non-forest zone, timber harvesting is authorised under a land conversion permit (IPK) within non-forest zone and Conversion permit (IPK) for transmigration settlement. <p>Description of Risk</p> <ul style="list-style-type: none"> • Historically, there has been a risk associated with illegal harvesting permits, illegal harvesting and illegal transport of timber in Indonesia. EIA reports risks of of bribery between the concessionaires and the government inspectors such that the latter approve harvesting practices that violate permits (EIA 2014). • According to INTERPOL (2012), one of the most common ways to conduct illegal logging is to obtain a permit by bribing an official responsible for issuing permits. This can take place in three ways: a) by paying a standard commission – a fixed price for a permit paid directly to an official, for example US\$ 25,000 for a permit to cut 17 km2 of forest; b) by paying a percentage of the value of goods extracted or the value of the permit. A common price in Indonesia, for example, is 10–40 per cent of the value of the deal, much lower than for obtaining a permit; or c) by paying high prices for other services or goods, such as housing, vehicles, gas or other.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Concessions within Production Forest Zones</p> <ul style="list-style-type: none"> Timber utilisation permit (IUPHHK-HA or IUPHHK-RE or IUPHHK-HP) Forest concession right certificate Proof of payment for the timber forest product utilisation permit. Proof of other legal area utilisation permit (if any) <p>Community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Timber utilisation permit (IUPHHK) Forest concession right certificate Proof of payment for the timber forest product utilisation permit. Deed or proof of business establishment. 	<ul style="list-style-type: none"> EFI EU FLEGT Facility, 2016. Q&A - <i>Indonesia-EU Voluntary Partnership Agreement</i>. Available online: http://www.euflegt.efi.int/publications/indonesia-eu-voluntary-partnership-agreement, accessed 7 February 2017. Nellemann, C., INTERPOL Environmental Crime Programme (eds). 2012. <i>Green Carbon, Black Trade: Illegal Logging, Tax Fraud and Laundering in the Worlds Tropical Forests</i>. A Rapid Response Assessment. United Nations Environment Programme, GRIDArendal. Available online: http://www.unep.org/pdf/RRALogging_english_scr.pdf, accessed 7 February 2017. Amacher, G. S. , Ollikainen, M. Koskela, E. 2012. <i>Corruption and forest concessions</i>. <i>Journal of environmental economics and management</i> 63: 92-104. Smith, J. and Obidzinski, K. 2008. <i>Illegal logging, collusive corruption and fragmented governments in Kalimantan, Indonesia</i>. In: Tacconi, L. <i>Illegal logging: Law enforcement, livelihoods and the</i> 	<ul style="list-style-type: none"> INTERPOL also states that the use of bribes and corruption is a primary challenge in combating illegal logging (Amacher et al. 2012). In the Bulungan, Malinau and Nunukan districts of Northeast Kalimantan, Indonesia, an investigation revealed that illegal loggers paid up to three bribes of US\$ 25,000 each in 2000–01 to obtain a logging permit for areas of approximately 1766 hectares (Smith et al., 2008). In some years loggers paid only one bribe, but had to pay similar amounts for new permits, and sometimes additional payments for former permits. Furthermore, companies paid an average of only 28 per cent (a range of 0–88 per cent) of the real tax owed. An additional “royalty” of three dollars per cubic metre was paid to villagers. However, as timber contractors can specify the volumes themselves, they could easily evade some of this tax (http://www.unep.org/pdf/RRALogging_english_scr.pdf). In 2014 the Anti Forest-Mafia Coalition of NGOs including WWF Indonesia presented results of an in-depth investigation of SVLK and its implementation, including the finding that SVLK does not prevent “illegal and unsustainable harvesting”. Palm oil companies have been found guilty of driving illegal logging for expansion of palm establishment. A December 2014 report by the Environmental

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Privately-owned forests</p> <ul style="list-style-type: none"> Land Cultivation Right. <p>Timber utilisation rights within Non-Forest Zones or from Convertible Production Forest</p> <ul style="list-style-type: none"> Other Legal Permit (ILS) / conversion permits (IPK) for harvesting operations in the lease area (including applicable environmental impact assessment/EIA document of non-forestry business) 	<p>timber trade. The Earthscan Forest Library, 301 p., London.</p> <ul style="list-style-type: none"> Abidah Setyowati & Constance L. McDermott, 2017. Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade, Society & Natural Resources, 30:6, 750-764, DOI: 10.1080/08941920.2016.1239295 JPIK, 2014. SVLK in the Eyes of the Monitor: Independent Monitoring and a Review of the Implementation of the Timber Legality Verification System, 2011-2013, http://fwi.or.id/english/wp-content/uploads/2014/11/JPIK_SVLK-in-teh-Eye-of-the-Monitor.pdf, accessed 1 May 17. AURIGA (November 2017). SVLK Violation: The Anti Forest-Mafia Coalition Files a Report on 7 Sawmill Companies in Papua. Published in AURIGA website. Available online at: auriga.or.id/svlk-violation-the-anti-forest-mafia-coalition-files-a-report-on-7-sawmill-companies-in-papua/, accessed on 17 May 2018. 	<p>Investigation Agency (EIA) states that "the importance of the traditional, selective logging forestry model is declining. In its place, the conversion of rich forests to plantations for palm oil and other products is generating a vast and poorly regulated stream of timber. Although the rule of law has increasingly been brought to bear on the old selective logging system, Indonesia's plantation sector remains in abject chaos." Not all timber from palm oil establishment is illegal if the license is legal and clear.</p> <ul style="list-style-type: none"> Forests Trends (2014) reviewed production and consumptions data in Indoneisa, found that "large operators are consuming more wood than the MoF reported as being legally produced, in 2014, there was a gap of more than 30 percent". That report goes on to state that the situation in natural forests is as alarming as the status of plantations. It states that "the majority of timber reportedly harvested from natural forests now comes from clear-cuts as opposed to selectively harvested forestry concessions. According to MoF data, for every cubic meter harvested from forestry concessions at least two cubic meters are produced from deforestation during land clearing. This ratio, however, is likely an underestimate." Forest Trends state that as the SVLK was not required until 2013, it

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. 	<p>would have had little impact on the timber production analyzed in that report.</p> <ul style="list-style-type: none"> EFI (2016) include an analysis of an Indonesian Anti-Corruption Commission (KPK) report that said Indonesia's reported timber production was far less than what is actually harvested from natural forests (also analysed in the Forest Trends report, 2014). EFI states that the KPK report covers the period 2003-2014. It is based on expert estimations, not on field work or remote sensing. As a response to the report's findings, the Ministry of Environment and Forestry is developing an integrated production data management system for all sources of timber. The system's development is among the list of actions in the Indonesia-EU VPA action plan up to the end of 2017. The KPK analysed natural forest production until 2014. Today, however, plantations and smallholders on private lands account for most of Indonesia's timber production. Indonesia's VPA timber legality assurance system covers all sources of timber. According to Setyowati et al. (2017), much of [the] corruption comes from irregularities in the issuance of permits and associated documents for log transports (KPK 2014; Rasad and Febismanto 2015), involving the bribing of government officials. The signing of a VPA agreement with the European Union and the

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>establishment of SVLK hence form part of the Indonesian government's efforts to curb corruption in the forest sector, and especially corruption embedded in the permitting systems (Obidzinski and Kusters 2015).</p> <ul style="list-style-type: none"> • EFI concludes that in 2016, the majority of Indonesia's total timber production comes from SVLK sources. • According to the news published by AURIGA in November 2017 in their website (SVLK Violation: The Anti Forest-Mafia Coalition Files a Report on 7 Sawmill Companies in Papua), "the Anti Forest-Mafia Coalition filed a report on seven sawmill companies operating in the province of Papua for allegedly violating both the regulations of SVLK (Timber Legality Assurance System) and international timber trade. Despite having obtained timber legality certification (SLK), those companies were found illegally collecting processed wood from natural forest areas [...] The location of the logging occurred in HPH (selective logging concession) areas within the logged over area. Logging in these areas by other parties or even by the HPH company itself is prohibited without permit from RKT [...]". • The findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category),

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate, for example, to: harvesting of logs prior to the granting of an approved utilisation permit, among others”.</p> <ul style="list-style-type: none"> • Furthermore, it is important to highlight the concerns raised by JPIK (2014) and Setyowati & McDermott (2017) (detailed information is provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), that as part of the SVLK system, CABs are required to consider only the existence of a permit document, without examining the process of the issuance of the permit, which might have implications on detecting harvesting permits that have been issued through corruption. In this context, it is relevant to mention that the assessment of this indicator focuses on the procedures for issuing harvesting permits, licenses or other legal document required for harvesting operations. Therefore, the endorsement of the SVLK cannot be considered as sufficient evidence for the assessment of this indicator.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>Risk Conclusion</p> <p>This indicator has been evaluated as N/A for private land because there are no legal requirements for harvesting permits, and as specified risk for the rest of the country. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>
Taxes and fees			
1.5 Payment of royalties and harvesting fees	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Government Regulation No. 59 Year 1998 on Tariff of Non Taxable State's Revenue Under of Forestry and Estate Corps - http://ekowisata.org/wp-content/uploads/2011/11/PP_59_1998.pdf Act No 12 Year 1985 on Land and Building Taxes (PBB) jo Act No 12 Year 1994 http://www.minerba.esdm.go.id/library/sijh/UU12Th1994-PERUBAHAN%20UU%20No12 	<p>Government Sources</p> <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf 	<p>Overview of Legal Requirements</p> <p>There are three types of levies for forest concessionaires' holders:</p> <ul style="list-style-type: none"> Forest Utilization Business Permit Fee/Iuran Izin Usaha Pemanfaatan Hutan (IIUPH) is a fee imposed to forest concessionaires' holders over a certain area of forest. Reforestation Fund (DR) is a fund allocated for reforestation and the rehabilitation of forest and its supporting activities, collected from forest concessionaires' holders who manage natural production forest. Forest Resources Provision/Provisi Sumber Daya Hutan (PSDH) is a levy imposed to forest concessionaires'

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>%20TA.pdf about changes of Act No 12 Year 1985 - http://www.sjdih.depkeu.go.id/fullText/1985/12TAHUN~1985UU.H TM</p> <ul style="list-style-type: none"> Directorate General of Tax Regulation No Per36/PJ/2011 on Build and Land Tax in Forest Sector - http://www.dephut.go.id/uploads/files/PeraturanDirjenPajak_36_PB BKehutanan_2012.pdf. Government Regulation No 12 Year 2014 on Non Tax Revenue - http://www.rimbawan.com/peraturan-menteri-kehutanan/99-2014/654-peraturan-menteri-kehutanan-republik-indonesia-nomor-p-68-menhut-ii-2014 in conjunction with Minister of Forestry Regulation No P.68/Menhut-II/2014 on The Benchmark Prices for Calculation of forest products, forest 	<ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joi 	<p>holders as the replacement of intrinsic values from the forest products taken from state forests.</p> <p>The Government has control measures (auditors) in place to ensure royalty payments. The government issues an Instruction to Pay Letter (Surat Perintah Pembayaran, SPP) for the levy based on the tariff which is calculated based on the Working Area Map. If payment of SPP is not done the company will get a fine of 2% each month. The report on the royalty payment is submitted every five months. The payment of all royalties is done immediately after harvesting (log landing) and reported every 15 days to MoEF (not to Taxation DG) for HPH/HTI.</p> <p>A company will be given latitude to postpone payment of SPP only once; if in a subsequent period the company still has not transferred the previous payment, the production report will not be approved by the Government, which incentivises companies paying taxes promptly.</p> <p>For TIMBER FROM STATE-OWNED FORESTS (covers Company managed Concessions, Forests Harvested by a State Company, Community or privately managed forests and Timber utilisation rights) the following activities take place related to the applicable fees at the Log-Yard</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>resources and replacement indemnity stands stumpage.</p> <p>For concessions within production forest zones</p> <ul style="list-style-type: none"> Government Regulation PP22/1997 Government Regulation PP51/1998 Government Regulation PP59/1998 Regulation of the Minister for Forestry P18/2007 Regulation of the Minister for Trade 22/2012 <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P18/2007 Regulation of the Minister for Trade 22/2012 <p>For privately-owned forests</p>	<p>nt+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b</p> <ul style="list-style-type: none"> Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachments/euflegt/briefing_note_indonesia%20en.pdf 	<p>Logs are transported from the log-landing site to log yards and then either directly transported to a processing mill, to an intermediate log-yard or to a registered timber depot.</p> <ul style="list-style-type: none"> Where the Log Production Report has not yet been approved at the Log-Landing Site: <ul style="list-style-type: none"> Preparation of a log- list by the permit holder; Submission of Proposed Log Production Report by the permit holder; Approval of the Log Production Report by the Wasganis; If using the national online log tracking system, the permit holder may submit the Log Production Reports and the related summary report to the Wasganis for approval; the Wasganis carries out sample-based physical verification of the reports, if not already approved at the log-landing site. The result of the field inspection is summarised in a log-verification-list using an official form established by the Ministry of Forestry; subject to a positive outcome of the field inspection, the official approves the reports; in case 48h is exceeded after the submission of the Log Production Reports and the related summary

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Forestry P18/2007 <p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P18/2007 <p>See also the legislation listed for the SVLK and VPA in 1.1.</p> <p>Legal authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF). Directorate General of Taxation District Forest Department Staff (presenting royalty invoice, called SPP) <p>Legally required documents or records</p> <ul style="list-style-type: none"> The SPP is the invoice for royalties, based on production reports. This royalty has to be 	<p>Non-Government Sources</p> <ul style="list-style-type: none"> Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1</i>. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. Environmental Investigation Agency (EIA), 2014: <i>Permitting Crime: How palm oil expansion drives illegal logging in Indonesia</i>. Available online: http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017. Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf, accessed 7 February 2017. 	<p>report, the Ganis self-approves the reports on its own responsibility (not applied for IPK);</p> <ul style="list-style-type: none"> Invoicing by the district forest office and payment of relevant amount for the Forest Resources Fee and to the Reforestation Fund by the permit holder. <ul style="list-style-type: none"> Calculated based on the approved Log Production Reports; The permit holder submits a request to settle the relevant fees to the district forestry official in charge of billing, based on the log-list, which is attached to the request; The district forestry official issues an invoice or invoices for settlement by the permit holder; In case 48 hours are exceeded after the submission of the request, the permit holder can issue the related invoice or invoices engaging its own responsibility; The permit holder pays the amount set out in the Forest Resources Fee and/or Reforestation Fund Invoice(s) and/ or stumpage value and the district forestry official issues a receipt or receipts for this payment. Stumpage value only applied for HTHR or IPK; Issuance a Log Transport Document by the Ganis, to which is annexed a log-list.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>paid to the Central Government MoEF.</p> <ul style="list-style-type: none"> A company must have evidence of the payments of royalties according to PSS (cash or transfer payment from company to Government account according to SPP invoice). 	<ul style="list-style-type: none"> Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. EFI EU FLEGT Facility, 2016. Q&A - <i>Indonesia-EU Voluntary Partnership Agreement</i>. Available online: http://www.euflegt.efi.int/publications/indonesia-eu-voluntary-partnership-agreement, accessed 7 February 2017. 	<ul style="list-style-type: none"> Preparation of a Log Balance-Sheet Report by the permit holder. Data reconciliation <p>For PRIVATELY OWNED FORESTS/LANDS, control procedures differ between logs obtained from trees which were on the site when the land title was acquired, and logs obtained from trees that have been established since the title was acquired. They also depend on the tree species harvested.</p> <p>The payment of the Forest Resources Fee, to the Reforestation Fund and stumpage fee apply to logs from trees already present on the site when the land title was awarded but <i>does not apply</i> to logs from trees established after the award of the land title.</p> <p>Management units (either owned individually or by a group) must be able to show proof of payment of applicable charges related to trees present prior to the transfer of rights or tenure of the area.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> According to experts consulted in the preparation of this report, in order to reduce payment of royalties, it is a common risk that companies do not pay all royalties and

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> Hukumonline, 2010. Trillions of losses from the State Forestry Sector. Available online: http://new.hukumonline.com/berita/baca/t4bdf3be1d0/kerugian-negara-dari-sektor-kehutanan-triliunan-, accessed 7 February 2017. Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector</i>. Available online: http://www.hrw.org/reports/2009/12/01/wild-money, accessed 7 February 2017. SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. Expert consultation conducted by NEPCon in the preparation of this report. 	<p>do not make regular reports to the Director General of Taxation.</p> <ul style="list-style-type: none"> A 2010 Hukumonline report claims that the losses from the State Forestry Sector amount to trillions of Indonesian rupiah. In the report ICW recommends that the government immediately improves licensing policies and make clear arrangements for central and local permits. In the report examples are given of some companies who carry out illegal logging and never pay any royalties. According to Human Rights Watch: "In 2006 the Indonesian government lost over US\$2 billion from untaxed illegal logging (\$1.3 billion USD), artificially low forest royalties (\$563 million) ...". The payment of royalties is expressly verified as part of the SVLK certification process. The findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), indicate that "at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC.	<p>observations relate, for example, to: mismatch between production and timber royalty payments, among others".</p> <p>Taking into consideration that updated data about law enforcement of payments of royalties and harvesting fees requirements is limited, and that the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO has raised some issues in relation to this indicator, precautionary approach is applied. Thus, this indicator is considered specified risk for all timber sources.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>
1.6 Value added taxes and other sales taxes	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> UU No 8/1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods; this law has been revised three times via UU No 11/1994; UU No 18/2000 and UU No 42/2009. 	<p>Non-Government Sources</p> <ul style="list-style-type: none"> Food and Agriculture Organization of The United Nations, Regional Office for Asia and the Pacific, 2009. Asia-Pacific Forestry Sector Outlook Study II - Working Paper Series - Working Paper No. APFSOS II/WP/2009/13 - Indonesia Forestry Outlook Study – by Center for 	<p>Overview of Legal Requirements</p> <p>VAT and Goods and Services Tax (GST) are applied to the timber sector in Indonesia. Imports are subject to VAT and GST, but exports of timber (and most other exports) are not.</p> <p>VAT and GST taxes are called Pertambahan Pajak Nilai or PPN. PPN is a ten percent, point-of-sale tax that extends to services supplied by foreign taxpayers outside Indonesia if these services benefit Indonesia. Provisions allow for certain</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>http://faolex.fao.org/docs/texts/in_s83251.doc?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwiZ3cWZyL3OAhWJNY8KHXM5AQEQFggdMAA&url=http://hukum.unsrat.ac.id/uu/uu_8_1983.pdf&usg=AFQjCNHk30Obk6oJVxM1CQJ-QBQitNw37w</p> <ul style="list-style-type: none"> The implementing regulations for this law are governed by <i>Government Regulation N. 1/2012 concerning implementation of UU 8/1983 and revisions.</i> https://www.google.co.id/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&cad=rja&uact=8&ved=0ahUKEwjs25Wayr3OAhXBto8KH TODC_sQFgghMAE&url=http%3A%2F%2Fregulasi.kemenperin.go.id%2Fsite%2Fdownload_peraturan%2F1072&usg=AFQjCNHzVtSUY_uxCavivytxRxIH93NJlq 	<p>Forestry Planning and Statistics, Ministry of Forestry. Available online: http://www.fao.org/docrep/014/am608e/am608e00.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> PWC (2017). Indonesia Pocket Tax Book 2017. Accessed 4 May 2018 at https://www.pwc.com/id/en/pocket-tax-book/english/ptb-2017.pdf. Deloitte (2017). Taxation and Investment in Indonesia in 2017. Accessed 4 May 2018 at https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Tax/dttl-tax-indonesiaguide-2017.pdf. Deloitte (2017). Indonesia Tax Guide 2017. Accessed 4 May 2018 at https://www2.deloitte.com/content/dam/Deloitte/id/Documents/tax/id-tax-indonesian-tax-guide-2017-en.pdf. WRI (2016). Forest Legality Initiative Risk Tool – Indonesia. Accessed 4 May 2018 at https://forestlegality.org/risk-tool/country/indonesia. 	<p>items to be taxed as high as 20 percent with a cap of 35 percent.</p> <p>As PPN applies to the sale of agricultural products, a difference is made between modern and traditional retailers. In deference to Indonesia's traditional market economy in rural areas, cottage industries such as farmers' markets and other small businesses are exempt from sales and service taxes.</p> <p>Companies/individuals designates as taxable enterprises (<i>Pengusaha Kena Pajak/ PKP</i>) are required to report their business activities and settle the VAT liabilities on these every month. Tax collection is decentgralised, and payable to the local jurisdictional office. Certain companies (i.e. those with enterprises in many jurisdictions) may centralise their reporting, there is a list of companies eligible for this (including large taxpayers, listed companies, foreign companies etc...).</p> <p>Seeds and seedling for plantation forestry are categorized as strategic goods and are expemt from VAT (PWC 2017).</p> <p>Risk Description</p> <ul style="list-style-type: none"> According to Reuters (2015) tax avoidance/evasion in Indonesia seems to be legitimated by its weak tax administration. Note that this article is focussed on

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Legal Authority</p> <ul style="list-style-type: none"> Ministry of Finance - charged with formulating, stipulating and implement policies connected to budgeting, taxes, customs, excise, treasury, state assets management, fiscal balance as well as budget financing and risk management Subsidiary government institutions responsible for the formulation of tax policy and procedures of relevance to timber companies: State Treasury Indonesian Tax Offices Director General of Taxation - Responsible for issuing tax policy District Tax Service Office and the Local Tax on Land and Building Office (PBB) 	<ul style="list-style-type: none"> Gayatri Suroyo and Eveline Danubrata for Reuters, 2015. Indonesia to crack down on corporate tax avoidance. Available online: http://www.reuters.com/article/us-indonesia-tax-taxavoidance-idUSKBN0LS05320150224, accessed 7 February 2017. The Economist, 2016. Making Crime Pay - Indonesia contemplates a handsome pay-off for tax dodgers. Available online: http://www.economist.com/news/finance-and-economics/21696503-government-contemplates-handsome-pay-tax-dodgers-indonesia-weighs, accessed 8 February 2017. Forest Trends, 2015. Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. Environmental Investigation Agency (EIA), 2014: Permitting Crime: How palm oil expansion drives illegal logging in 	<p>income tax, not VAT. Reuters state that the issues with tax evasion are exacerbated by a shortage of employees in the Tax Department, (currently around 36,000 tax officials compared to the population of 255 million).</p> <ul style="list-style-type: none"> The Economist (2016) states that Indonesia routinely has difficulty collecting the taxes it imposes; in 2015 only 82% of expected taxes were paid, and its ratio of tax revenue to Gross Domestic Product was near 10%. That ratio for most Southeast Asian nations is between 13% and 15% (Economist 2016, Library of Congress 2016). A review of literature specifically focused on the forestry sector (for example: Forest Trends 2015, EIA 2014, Anti Forest-Mafia Coalition 2014, Hukumonline, 2010. Human Rights Watch, 2009 and Overdevest & Zeitlin 2016) shows that underpayment of royalties has been a significant issue in the past in Indonesia, but they do not specifically address the issues of value added taxes. Value added taxes are not included in the Legality Definition (annex V) of the Indonesia/EU Voluntary Partnership agreement. This means that payment of income tax is not verified as part of the SVLK certification process. Information received from experts (FM auditors) in the preparation of this reports is that people and companies in Indonesia are aware of this requirement, and if they do

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p><i>Legally required documents or records</i></p> <ul style="list-style-type: none"> • Tax invoices meeting the requirements of the Act for information relevant to VAT. • Monthly VAT Report 	<p>Indonesia. Available online: http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> • Anti Forest-Mafia Coalition, 2014. SVLK flawed: An independent evaluation of Indonesia's timber legality certification system. Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf, accessed 7 February 2017. • Christine Overdevest & Jonathan Zeitlin, 2016. Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. • Transparency International (2018). Corruption Perception Index 2017 - 	<p>not comply then they are penalised. If they do not pay the penalties, the the company will be closed by the government and the name of the directors will be blacklisted in every business in Indonesia.</p> <p>Unlike the other tax indictators, it has not been possible to find information during the rearch for this indicator of risks relating to non-payment of VAT. Acknowledging the general points about the capacity of the Taxation Department, and the generally high level of corruption risk in Indonesia, a precautionary approach has been applied here, and a specified risk is concluded.</p> <p><i>Risk conclusion</i></p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018].</p> <ul style="list-style-type: none"> • EFI EU FLEGT Facility, 2016. Q&A - Indonesia-EU Voluntary Partnership Agreement. Available online: http://www.euflegt.efi.int/publications/indonesia-eu-voluntary-partnership-agreement, accessed 7 February 2017. • Hukumonline, 2010. Trillions of losses from the State Forestry Sector. Available online: http://new.hukumonline.com/berita/baca/t4bdbadf3be1d0/kerugian-negara-dari-sektor-kehutanan-triliunan-, accessed 7 February 2017. • Expert consultation conducted by NEPCon 2018. 	
1.7 Income and profit taxes	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> • Act No 7 year 1983 on Tax Income in conjunction with Act No 36 Year 2008 on the 4th changes of Law No 7 year 1983 on Tax Income - 	<p>Government Sources</p> <ul style="list-style-type: none"> • Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest- 	<p>Overview of Legal Requirements</p> <p>In Indonesia, a general Corporate Income Tax (CIT) rate of 25 per cent applies. A tax cut of 5 per cent, applicable to most public companies makes the effective tax rate 20 per</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>http://luk.staff.ugm.ac.id/atur/UU7-1983PajakPenghasilan.pdf and http://www.sjdih.depkeu.go.id/fullText/2008/36TAHUN2008UU.htm (Reference with Column E: in conjunction with Act No 7 Year 1983).</p> <p>Legal authority</p> <ul style="list-style-type: none"> Directorate General of Tax The authorized person from Directorate General of Tax <p>Legally required documents or records</p> <ul style="list-style-type: none"> Monthly Withholding Tax Reports 	<p>policies/illegal-logging/indonesia-country-specific-guideline.pdf</p> <p>Non-Government Sources</p> <ul style="list-style-type: none"> PWC, 2016. <i>Indonesian Pocket Tax Book 2016</i>. Available online: https://www.pwc.com/au/asia-practice/assets/indonesia-pocket-tax-book-2016.pdf, accessed 7 February 2017. Gayatri Suroyo and Eveline Danubrata for Reuters, 2015. <i>Indonesia to crack down on corporate tax avoidance</i>. Available online: http://www.reuters.com/article/us-indonesia-tax-taxavoidance-idUSKBN0LS05320150224, accessed 7 February 2017. Financial Times, 2016. <i>Indonesia to fall short on tax revenue targets</i>. Available online: https://www.ft.com/content/fe3c8016-2c34-11e5-8613-e7aedbb7bdb7, accessed 8 February 2017. 	<p>cent. A discount of 50 per cent applies to small enterprises (annual turnover of less than 50 billion rupees).</p> <p>Income tax payments are made via monthly tax instalments. These monthly instalments constitute prepayments for the CIT liabilities. The prepayment is reviewed annually through the Corporate Income Tax Return (CITR). Any shortfall or overpayment is corrected prior to lodging the final CITR annually.</p> <p>CIT liabilities are calculated against the taxable business profits (on the basis of normal accounting principles). A number of specific deductions (e.g., for equipment) are applicable for the forestry sector (PWC 2016).</p> <p>Penalties of 2% per month are imposed for late payment of tax, up to a maximum of 48% of the unpaid tax. In criminal cases, fines of 200%-400% of the unpaid tax are possible, as is imprisonment. The penalties for tax evasion and avoidance are strict; including for underpaid tax, additional underpaid tax, overpaid tax and nil tax assessments that may be received by the debtor in the form of letters, warrants and administrative sanctions. Tax credits for over-taxation or overpayment are withheld until the subsequent year, as payouts are not issued within the same financial year.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> • The Economist, 2016. <i>Making Crime Pay - Indonesia contemplates a handsome pay-off for tax dodgers</i>. Available online: http://www.economist.com/news/finance-and-economics/21696503-government-contemplates-handsome-pay-tax-dodgers-indonesia-weighs, accessed 8 February 2017. • Library of Congress, 2016. <i>Indonesia: Tax Amnesty Proposed</i>. Available online: http://www.loc.gov/law/foreign-news/article/indonesia-tax-amnesty-proposed/, accessed 8 February 2017. • Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1</i>. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. • Environmental Investigation Agency (EIA), 2014: <i>Permitting Crime: How palm oil expansion drives illegal logging in Indonesia</i>. Available online: http://eia- 	<p>Description of Risk</p> <ul style="list-style-type: none"> • There are a number of reports in recent years of significant issues with income tax evasion (both personal and company tax) in Indonesia. In 2015, Reuters reported that the Finance Minister Bambang Brodjonegoro's estimated that only 27 million of Indonesia's 255 million people are registered taxpayers and in 2014 just 900,000 of them paid what they owed. • According to that same article, there are thousands of companies that have never paid income tax and tax avoidance/evasion seems to be legitimated by its weak tax administration. • Reuters state that the issues with tax evasion are exacerbated by a shortage of employees in the Tax Department, (currently around 36,000 tax officials compared to the population of 255 million) exacerbated by difficulties in executing its powers, granted by the tax law, contributes to the weakening of the DGT. http://www.thejakartapost.com/news/2016/03/22/indonesia-a-real-tax-haven-nation.html • Reuters also report that Indonesia intended to crack down on corporate tax avoidance via transfer pricing in 2015. According to the tax department, there was approximately 200 trillion rupiah (\$15.6 billion) in lost state income, mainly in the commodities sector. Sigit

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> • Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf, accessed 7 February 2017. • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. 	<p>Priadi Pramudito, the country's director-general of taxes, said in an interview that many Indonesian companies, particularly in the coal, palm oil, cocoa and other commodities sectors, were avoiding corporate taxes by using transfer pricing.</p> <ul style="list-style-type: none"> • Mr Brodjonegoro estimates that there are just 27m registered taxpayers in the country out of a population of 255m, with 10m of those paying income tax in full every year. There is much room to improve compliance, he said, with widespread tax evasion across the spectrum from individual workers to big business. • Other reports (e.g., Financial Times 2016) state that large companies have a poor record with payment of income taxes: That article quotes the Finance Minister: "Big companies with a big profile — their tax record is quite poor, meaning they are far from 100 per cent compliant." • The Economist (2016) also reports on significant issues with transfer pricing and tax avoidance. They state that official estimate is that as much as \$900 billion in assets may have been sent abroad by Indonesians seeking to avoid taxation. Indonesia routinely has difficulty collecting the taxes it imposes; in 2015 only 82% of expected taxes were paid, and its ratio of tax revenue to Gross Domestic Product was near 10%. That ratio for most Southeast

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. EFI EU FLEGT Facility, 2016. Q&A - <i>Indonesia-EU Voluntary Partnership Agreement</i>. Available online: http://www.euflegt.efi.int/publications/indonesia-eu-voluntary-partnership-agreement, accessed 7 February 2017. Hukumonline, 2010. Trillions of losses from the State Forestry Sector. Available online: http://new.hukumonline.com/berita/baca/lt4bdbadf3be1d0/kerugian-negara-dari-sektor-kehutanan-triliunan-, accessed 7 February 2017. Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector</i>. Available online: 	<p>Asian nations is between 13% and 15% (Economist 2016, Library of Congress 2016).</p> <ul style="list-style-type: none"> A review of literature specifically focused on the forestry sector (for example: Forest Trends 2015, EIA 2014, Anti Forest-Mafia Coalition 2014, Hukumonline, 2010. Human Rights Watch, 2009 and Overdevest & Zeitlin 2016) shows that underpayment of royalties has been a significant issue in the past in Indonesia, but they do not specifically address the issues of income taxes. Despite the strict penalties – the reporting of income is voluntary and minimally encouraged, certainly not controlled, which results in high levels of tax evasion. Income and profit taxes are not included in the Legality Definition (annex V) of the Indonesia/EU Voluntary Partnership agreement. This means that payment of income tax is not verified as part of the SVLK certification process. <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk.</p> <p>Threshold (2): Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		http://www.hrw.org/reports/2009/12/01/wi Id-money , accessed 7 February 2017.	
Timber harvesting activities			
1.8 Timber harvestin g regulation s	Applicable laws and regulations <ul style="list-style-type: none"> Minister of MoEF Regulation No P.11/Menhut/2009 on Silvicultural Systems in the Area of License for Utilization of Timber Forest Products in Production Forests (storage.jak-stik.ac.id/ProdukHukum/kehutan an/P11_09.pdf) in conjunction with Minister of Forestry Regulation No P.65/Menhut-II/2014 on Changes of Minister of Forestry Regulation No P.11/Menhut/2009. Dirjen Bina Produksi Kehutanan decree P.9/VI/BPHA/2009 concerning Implementation guidelines of Silviculture system for Forest Concession on Forest Production 	Government Sources <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+PI an+on+the+advancement+of+VPA+imple 	Overview of Legal Requirements <p>In Indonesia, timber administration procedures are instruments to record and report production plans, felling, measuring, collection, transport, processing and distribution of forest products. The aim is to regulate sustainable forestry and earn adequate revenue collection.</p> <p>In principle, traditional concessions employ the Indonesian Selective Cutting and Planting System (TPTI), which sets rotation time and the diameter of the harvested trees, necessitates replanting in the presence of low natural restocking rates and bans on logging on sensitive areas, but does not require reduced logging techniques (Ruslandi et al. 2014 in Miteva et al. 2015).</p> <p>The Indonesian procedures are also part of the SVLK and have the following components:</p> <ul style="list-style-type: none"> Production planning <ul style="list-style-type: none"> Forest inventory, cruising reports

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> MoEF Decree No 132/Kpts-II/2000 on Enforcement Legal Documentation of Forest Product, Letter of Transport Document Substitute of Logs, Letter of Processed Timber Transport, and Letter of Transport Forest Product Non Timber - http://www.dephut.go.id/index.php/news/details/92 Government Regulation No 7 Year 1999 concerning Preservation of plant and animal biodiversity Minister Regulations No. 62 of 2008, No. 65 of 2009, and No. 60 of 2011 denote the system and legitimate logging procedures and work plans Minister Regulation No. 41 of 2014 outlines the administration of timber harvested from natural forests; 	<ul style="list-style-type: none"> mentation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+ID+N+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/196582/Annual+Report+Progress+Update+April+2015+May+2016+Implementing+the+Indonesia+EU+FLEGT+Voluntary+Partnership+Agreement.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c 	<ul style="list-style-type: none"> Annual cutting plan, which has to be in line with the government AAC for that area. Harvesting - Documented in Laporan Hasil Cruising— Indonesia cruising result report (LHC) and Laporan Hasil Penebangan (LHP) or the Indonesia timber felling report Marking, Scaling and Grading. Recorded in the wood-processing and storage report (LKPO). Loading and transporting Processing Reporting <p>Timber cruising (enumeration of trees) is conducted by the permit holder using tags. These tags are made up of three detachable sections, attached to the stump, harvested log, and the operator report. Each section contains the necessary information required for timber tracking, including the number of the tree and its location. The permit holder prepares a Timber Cruising Report, which contains information on the number, estimated volume, preliminary species identification and location of trees to be harvested, and a summary, using official Ministry of Forestry forms. The permit holder submits the Timber Cruising Report to the district forestry official. The official conducts both a document-based and field verification of the Timber Cruising Report on a sample basis. The official approves the Report if all is in order.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Minister Regulation No. 42 in 2014 outlines the administration of timber harvested from planted forests. <p>For concessions within production forest zones (State owned)</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P62/2008 Regulation of the Minister for Forestry P56/2009 Regulation of the Minister for Forestry P60/2011 Regulation of the Minister for Forestry P.33/2014 <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P62/2008 For timber utilisation rights within non-forest zones or from convertible production forest 	<p>0/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0</p> <ul style="list-style-type: none"> Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachments/euflegt/briefing_note_indonesia%20en.pdf <p>Non-Government Sources</p> <ul style="list-style-type: none"> Made Ali for mongabay.co.id, 2013. <i>KPK Urged to Complete Actors Corruption Riau Forestry Licensing</i>. Available online at http://www.mongabay.co.id/2013/01/17/kpk-didesak-tuntaskan-aktor-aktor- 	<p>The Timber Cruising Report provides the basis for the proposed Annual Work Plan, which is prepared by the permit holder and submitted to the provincial forestry officer for review and approval. The official reviews and cross-checks the proposed Annual Work Plan against the approved Timber Cruising Report and approves the Work Plan if all is in order. Once the Annual Work Plan is approved by the official, the permit holder is allowed to commence harvesting operations. During harvesting operations, tags are used to ensure that the log is from an approved felling site, as described above.</p> <p>For industrial roundwood production from large concessions within production forest zones of state-owned land (permanent forest domain), there are sustainable forest management (PHPL) requirements. These requirements must be complied with, within three years of an initial V-Legal certificate being issued (Indonesia-EU, Annex V).</p> <p>The above described legal requirements are verified as part of the SVLK certification process.</p> <p>In addition, there are a number of silvicultural and related requirements applicable in Indonesia, these are:</p> <ul style="list-style-type: none"> Requirements relating to Ministry of Forest technical standards of road construction through ground checks while travelling through the concession area (Dirjen Bina

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P62/2008 Regulation of the Minister for Forestry P53/2009 <p>See also the legislation listed for the SVLK and VPA in 1.1.</p> <p>Legal authority</p> <ul style="list-style-type: none"> The Directorate General of Natural Forest Management (on behalf of the Minister of Forestry and Environment). The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. GANISPHPL-NENHUT is the officially trained person with the authorized capability on how to plan harvest (felling), set up 	<p>korupsi-perizinan-kehutanan-riau/, accessed 25 January 17.</p> <ul style="list-style-type: none"> Diana Parker for mongabay.com, 2014. <i>Indonesia politician gets 14 years in jail for illegal permits, forest corruption</i>. Available online at http://news.mongabay.com/2014/0313-dparker-zainal-corruption-riau.html, accessed 25 January 17. Environmental Investigation Agency (EIA), 2014: <i>PERMITTING CRIME: How palm oil expansion drives illegal logging in Indonesia</i>. Available online at http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 25 January 17. Jikalahari, 2015. <i>Segera tetapkan rusli zainal dan korporasi kehutanan di riau sebagai tersangka korupsi!</i> (About the prosecution of corrupt officials in the Riau province). Available online: http://www.jikalahari.or.id/index.php?option=com_content&view=article&id=198%3Asegera-tetapkan-rusli-zainal-dan-korporasi-kehutanan-di-riau-sebagai- 	<p>Produksi Kehutanan decree P.9/VI/BPHA/2009 concerning Implementation guidelines of Silviculture system for Forest Concession on Forest Production).</p> <ul style="list-style-type: none"> Requirements relating to minimum harvestable diameters, observable in LHP reports, LHC reports and tree position and contour map. Harvesting of authroised timber species in accordance with the forestry administration plans and LHP species list. Note that the protected species may vary from one province to the next. <p>The regulation covering these requirements (No P.11/Menhut/2009) is not included in the Legality Definition of the Indonesia/EU VPA (Annex V). This means that these silvicultural requirements are not verified as part of the SVLK Licensing process of production forests, except for industrial round wood production on state owned land, as the sustainable forest management principles apply to those areas.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> According to Prasetyo et al. (2012, quoting Obidzinski et al. 2007), one of the most serious challenges for forest governance in Indonesia's Kalimantan region is the illegal logging by licensed forestry operations that engage in gross over-harvesting.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>control towers, bucking logs, debarking, and transport forest products, among other qualifications.</p> <p>Legally required documents or records</p> <p>For concessions within production forest zones</p> <ul style="list-style-type: none"> • The approved master plan & attachments (drawn up based on a comprehensive forest inventory conducted by technically competent staff) • The approved annual work plan (drawn up based on the master plan) • Maps (drawn up by technically competent staff, which describe the layout and boundaries of the areas covered by the plan of work) • Map indicating logging exclusion zones within the Annual Work 	<p>tersangka-korupsi&catid=39%3Ajikalahari-news&Itemid=134&lang=en. Accessed 7 February 2017.</p> <ul style="list-style-type: none"> • Mongabay Indonesia. <i>KPK Didesak Tuntaskan Aktor-Aktor Korupsi Perizinan Kehutanan Riau (on corruption in Riau Province)</i>. Available online: http://www.mongabay.co.id/2013/01/17/kpk-didesak-tuntaskan-aktor-aktor-korupsi-perizinan-kehutanan-riau/, accessed 7 February 2017. • Forest Watch Indonesia, 2015. <i>Appeal Rejected, The Ministry of Environment and Forestry to Be Sued Openly</i>. Available online: http://fwi.or.id/english/publikasi/appeal-rejected-the-ministry-of-environment-and-forestry-to-be-sued-openly/, accessed 7 February 2017. • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary</i> 	<ul style="list-style-type: none"> • Ruslandi et al. argue that the Indonesian Selective Cutting and Planting System (TPTI) implementation has been flawed (2014). • Many historical reports exist which raise issues with overharvesting in Indonesia. The SVLK certification system has been put in place, in part to respond to these very issues. • However, a press release by JPIK in March 2018 (Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management), stated that “during monitoring developed between 2014-2017, several weaknesses in SVLK practice were found, especially in supervision and law enforcement. JPIK assessment to 296 Sustainable Production Forest Management (PHPL) IUIPHHK-HA (Logging Concession) and HT (Timber Concession) certificates found that 197 of permit holders had bad scored on production aspects. These findings generate a big question towards the sustainability of forest management practice and will impact to the slow problem solving of forest management nowadays, especially in social and ecological aspects”. • Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Plan and evidence of implementation on the ground.</p> <ul style="list-style-type: none"> Harvesting locations (blocks or compartments) on the map are clearly marked and verified on the ground. Timber forest product utilisation master plan document & attachments (on going applications are acceptable). The location and extractable volumes of natural forest logs within areas to be harvested correspond with the work plan. Timber cruising report. <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Approved annual work plan document. Map indicating logging exclusion zones in the annual work plan and evidence of implementation on the ground. 	<p><i>Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17.</p> <ul style="list-style-type: none"> United Nations Office on Drugs and Crime (UNODC) (undated). Indonesia - Forest Crimes. Available at https://www.unodc.org/southeastasiaandpacific/en/indonesia/forest-crime.html [Accessed 13 September 2016]. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. Agung Prasetyo, James Hewitt and Chen Hin Keong, 2012. INDONESIA: Scoping Baseline Information for Forest Law Enforcement, Governance and Trade - Baseline Study 7. Available online: 	<p><i>Overview of the forest sector in Indonesia</i> section of this category), indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate, for example, to: harvesting of under-sized logs, among others”.</p> <ul style="list-style-type: none"> As indicated in the <i>Overview of legal requirements</i>, certain timber harvesting requirements included in the Regulation No P.11/Menhut/2009 on Silvicultural Systems in the Area of License for Utilization of Timber Forest Products in Production Forests, are not included in the Legality Definition of the Indonesia/EU VPA. This means that these requirements are not verified as part of the SVLK certification process, thus the endorsement of the SVLK system cannot be considered as sufficient evidence for the assessment of this indicator. <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities. .</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Harvesting block location are clearly marked and can be verified on the ground. <p>Timber Forest Product Utilisation Master Plan document and attachments (on-going applications are acceptable)</p>	<p>http://www.euflegt.efi.int/documents/10180/23308/Baseline+Study+7,%20Indonesi+a+-+Overview+of+Forest+Law+Enforcement+%20Governance+and+Trade/fbbef7de-ead6-4238-b28b-7a3c57fb7979, accessed 8 February 2017.</p> <ul style="list-style-type: none"> Obidzinski, K., Andrianto, A., and Wijaya, C. (2007). Cross-Border Timber Trade in Indonesia: Critical or Overstated Problem? Forest Governance Lessons from Kalimantan. Commonwealth Forestry Association. http://www.cifor.cgiar.org/Knowledge/Publications/DocumentDownloader?a=d&p=%5Cpublications%5Cpdf_files%5Carticles%5CAObidzinski0701.pdf, accessed 8 February 2017. WWF, 2012. Framework for Assessing Legality of Forestry Operations, Timber Processing and Trade Annex – Indonesia. Available online: http://awsassets.panda.org/downloads/indonesia_legality_framework_final_1.pdf, accessed 8 February 2017. 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> Ruslandi, Klassen A, Romero C, Putz FE. Forest Stewardship Council certification of natural forest management in Indonesia: Required improvements, costs, incentives, and barriers. Bogor, Indonesia: CIFOR. 2014. Available: http://www.cifor.org/library/5106/forest-stewardship-council-certification-of-natural-forest-management-in-indonesia-required-improvements-costs-incentives-and-barriers/, accessed 9 February 2017. Miteva DA, Loucks CJ, Pattanayak SK (2015) Social and Environmental Impacts of Forest Management Certification in Indonesia. PLoS ONE 10(7): e0129675. doi:10.1371/journal.pone.0129675. Available: http://journals.plos.org/plosone/article?id=10.1371/journal.pone.0129675#pone.0129675.ref010, accessed 9 February 2017. JPIK, March 2018. Deforestation and Social Conflict Keep Happening, Indonesian Government has to 	

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		<p>Strengthen Sustainability System of Forest Management. News published in JPIK website. Available online at: http://jpik.or.id/deforestation-social-conflict-keep-happening-indonesian-government-strengthen-sustainability-system-forest-management/, accessed on 16 May 2018.</p> <ul style="list-style-type: none"> SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. 	
1.9 Protected sites and species	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Act No 5 Year 1990 on Biodiversity Conservation of Natural Resources and Ecosystems - http://jdih.bpk.go.id/wp- 	<p>Government Sources</p> <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. 	<p>Overview of Legal Requirements</p> <p>In Indonesia, utilization of timber from conservation and protected forests is strictly prohibited. Endangered animals are protected by law.</p> <p>Fragile sites are identified during the forestry inventory according to regulations and guidelines of the forest</p>

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	<p>content/uploads/2012/03/1990-UU-05-Hayati-ekosistem.pdf</p> <ul style="list-style-type: none"> Act No 41 Year 1999 on Forestry http://prokum.esdm.go.id/uu/1999/uu-41-1999.pdf Government Regulation No 68 Year 1998 on Natural Reserve Areas and Conservation Areas - bksdadiy.dephut.go.id/images/data/PP_68_1998.pdf Government Regulation No 7 Year 1999 on Preservation of Plants and Animals - http://ditjenphka.dephut.go.id/wp-content/uploads/2013/08/PP_7_Tahun-1999_pengawetan-jenis-ts.pdf. Regulation No 5/1990 on Conservation of Bio-resources and Ecosystem President decree 32 Tahun 1990 concerning Management of Protection area Ministry of Forestry Regulation P.11/Menhut-II/2009 concerning 	<ul style="list-style-type: none"> Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66befa9282c 	<p>authorities and other relevant agencies. In addition, nationally protected species of flora and fauna must be identified in the forest management plan. Forest regulations define riparian buffer zones, buffer zones for protection forest areas, and buffer zones for external boundaries. These buffer zones are excluded from harvesting. Forest regulations prohibit logging on slopes >40% (Note: This regulation is widely ignored by the MoF since it would make many concessions economically unviable.) Protected species are identified in regulations. Protected tree species can be cross-checked against the LHC and LHP reports.</p> <p>The verification of the log tags as part of the SVLK certification process has been designed to exclude trees from fragile sites or protected species.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> A 2007 UNEP-UNESCO report documented illegal logging in 37 of 41 protected areas in Indonesia, including large-scale deforestation of a UNESCO World Heritage site and an endangered orangutan habitat (UNEP-UNESCO 2007 in INTERPOL 2012). According to that report, loggers, with armed guards, moved into parks and cut down the forests with unarmed rangers facing lethal risk, bribes or simply lack of resources to enforce the park boundaries (UNEP-UNESCO 2007).

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	<p>Silviculture system for Forest Concession on Forest Production</p> <ul style="list-style-type: none"> • Dirjen Bina Produksi Kehutanan decree P.9/VI/BPHA/2009 concerning Implementation guidelines of Silviculture system for Forest Concession on Forest Production. <p>Legal authority</p> <ul style="list-style-type: none"> • Minister and Ministry of Environment and Forestry (MoEF). • The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. • GANISPHPL-BINHUT is the technician who has the qualification (trained by government authorities) to manage protected forests, manage protected and endangered flora & fauna and 	<ul style="list-style-type: none"> • Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b • Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 • Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesi 	<ul style="list-style-type: none"> • Discussing the Kutai National Park in eastern Kalimantan, Fehlhaber-Brown (2013) states that ‘despite the fact that the park is nominally a protected area, the trees have been logged for their hardwoods as well as to cultivate palms.’ The author goes on to state that ‘the small slivers of forest that are left [in Indonesian Borneo] (often designated as protected areas) continue to be invaded by loggers, poachers, and miners – whether poor artisanal ones who operate illegally or official companies with formal licenses obtained through bribery.’ • Margono et al., in their 2014 analysis of deforestation in Indonesia between 2000-2012, found that 40 per cent of the clearing was happening illegally, “in limited production, conservation and protection forests”. Further, they state that “Sumatra is more advanced in the rate of clearing, Kalimantan is behind that, and Papua far behind.” • Reports of logging within protected areas are less frequent since the SVLK system has become fully operational. • Experts consulted in the preparation of this report stated that protected sites are at risk in Indonesia, where logging in National Parks is still the case. In fact, a forest concessionaire takes the risk that they will be penalized if they do not harvest areas designated for logging in the

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>implement environmental impact analysis.</p> <p>Legally required documents or records</p> <p>For concessions within production forest zones</p> <ul style="list-style-type: none"> The approved master plan & attachments (drawn up based on a comprehensive forest inventory conducted by technically competent staff). The approved annual work plan (drawn up based on the master plan) Maps (drawn up by technically competent staff, which describe the layout and boundaries of the areas covered by the plan of work) Map indicating logging exclusion zones within the Annual Work Plan and evidence of implementation on the ground. 	<p>a-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c</p> <ul style="list-style-type: none"> EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachments/euflegt/briefing_note_indonesia%20en.pdf <p>Non-Government Sources</p> <ul style="list-style-type: none"> Lili Rambe for Mongabay Indonesia, 2012. <i>Forest encroachment, Main Enemy Kerinci Seblat National Park</i>. Available online: http://www.mongabay.co.id/2012/10/04/pengembangan-hutan-musuh-utama-taman-nasional-kerinci-seblat/, accessed 8 February 2017. Tribunnews.Com, Airmadidi, 2017. <i>400 Hectares of Forest Protected Areas in North Minahasa felled</i>. Available online: http://www.tribunnews.com/regional/2014/09/16/400-hektar-kawasan-hutan-lindung-di-minahasa-utara-ditebang, accessed 8 February 2017. 	<p>Work Plans. Knowledge about the whole range of protected species is not consistently held by concession holders and communities. With the exception of flagship species, such as the tiger, most trade in protected animals is not controlled, with penalties not being consistently imposed.</p> <ul style="list-style-type: none"> In addition to national parks and protected forests, there are also protected areas in the concession area (HCV, steep slope, cultural site). The SVLK system of certification is designed so that illegally harvested timber from protected areas cannot enter certified supply chains. It is theoretically possible that illegal harvesting in protected areas in Indonesia is continuing to some extent, but it would be very difficult for this timber to enter an SVLK certified supply chain. However, a press release by JPIK in March 2018 (Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management), stated that “during monitoring developed between 2014-2017, several weaknesses in SVLK practice were found, especially in supervision and law enforcement. JPIK monitoring resulted in 54 permits holder with SVLK certificates (PHPL and VLK) still found issues about boundary conflict, low basic rights recognition of the people, and

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	<ul style="list-style-type: none"> Harvesting locations (blocks or compartments) on the map are clearly marked and verified on the ground. Timber forest product utilisation master plan document & attachments (on going applications are acceptable). The location and extractable volumes of natural forest logs within areas to be harvested correspond with the work plan. <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Approved annual work plan document. Map indicating logging exclusion zones in the annual work plan and evidence of implementation on the ground. Harvesting block location are clearly marked and can be verified on the ground. 	<ul style="list-style-type: none"> Vanda Felbab-Brown, 2013. <i>Indonesia Field Report III – The Orangutan’s Road: Illegal Logging and Mining in Indonesia</i>. Available online: https://www.brookings.edu/research/indonesia-field-report-iii-the-orangutans-road-illegal-logging-and-mining-in-indonesia/, accessed 8 February 2017. Belinda Arunarwati Margono, Peter V. Potapov, Svetlana Turubanova, Fred Stolle and Matthew C. Hansen, 2014. Primary forest cover loss in Indonesia over 2000–2012. Available online: https://s3.amazonaws.com/drupal-base-s3-drupalshareds3-1qwpjwcngwwsr/umdrighnow/s3fs-public/nclimate2277-aop_2.pdf, accessed 8 February 2017. Nellemann, C., INTERPOL Environmental Crime Programme (eds). 2012. Green Carbon, Black Trade: Illegal Logging, Tax Fraud and Laundering in the Worlds Tropical Forests. A Rapid Response Assessment. United Nations Environment Programme, GRIDArendal. 	<p>weak forest protection efforts to the holder of IUPHHK-HA and HT”.</p> <ul style="list-style-type: none"> Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate to: clearing of river banks, and other environmental irregularities, among others”. <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Timber Forest Product Utilisation Master Plan document and attachments (on-going applications are acceptable) <p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> IPK/ILS work plan documents 	<p>Available online:</p> <ul style="list-style-type: none"> http://www.unep.org/pdf/RRAllogging_english_scr.pdf, accessed 7 February 2017. UNEP-UNESCO, 2007. <i>Last stand of the orang-utan. State of emergency- Illegal logging, fire and palm oil in Indonesias national parks</i>. United Nations Environment Programme. Available online: http://www.grida.no/files/publications/orangutan-full.pdf, accessed 8 February 2017. Environmental Investigation Agency (EIA), 2014: <i>PERMITTING CRIME: How palm oil expansion drives illegal logging in Indonesia</i>. Available online at http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 25 January 17. Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia</i> 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p><i>and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17.</p> <ul style="list-style-type: none"> • United Nations Office on Drugs and Crime (UNODC) (undated). Indonesia - Forest Crimes. Available at https://www.unodc.org/southeastasiaandpacific/en/indonesia/forest-crime.html [Accessed 13 September 2016]. • Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. • Agung Prasetyo, James Hewitt and Chen Hin Keong, 2012. INDONESIA: Scoping Baseline Information for Forest Law Enforcement, Governance and Trade - Baseline Study 7. Available online: http://www.euflegt.efi.int/documents/1018 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>0/23308/Baseline+Study+7,%20Indonesia+-+Overview+of+Forest+Law+Enforcement,%20Governance+and+Trade/fbbef7de-ead6-4238-b28b-7a3c57fb7979, accessed 8 February 2017.</p> <ul style="list-style-type: none"> • WWF, 2012. Framework for Assessing Legality of Forestry Operations, Timber Processing and Trade Annex – Indonesia. Available online: http://awsassets.panda.org/downloads/indonesia_legality_framework_final_1.pdf, accessed 8 February 2017. • Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1</i>. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. • Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FI%20NAL.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector</i>. Available online: http://www.hrw.org/reports/2009/12/01/wild-money, accessed 7 February 2017. JPIK, March 2018. Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management. News published in JPIK website. Available online at: http://jpik.or.id/deforestation-social-conflict-keep-happening-indonesian-government-strengthen-sustainability-system-forest-management/, accessed on 16 May 2018. SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018.</p> <ul style="list-style-type: none"> Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC. 	
1.10 Environmental requirements	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> UU No. 32 Year 2009 concerning Protection and Managing Environment - http://prokum.esdm.go.id/uu/2009/UU%2032%20Tahun%202009%20%28PPLH%29.pdf Ministry of Environment Regulation 11 Year 2006 concerning Types of Business Plan and / or activities that must be equipped with an 	<p>Government Sources</p> <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf 	<p>Overview of Legal Requirements</p> <p>For concessions, community plantation forests and community forests within production forest zones, the permit holder must have an approved applicable environmental impact assessment (EIA) document and have implemented measures identified in it. The EIA documents must be approved by the competent authorities which cover the entire work area (see <i>Legal Authority</i> listed in the first column, the authority is dependent on the concession type). The Permit holder must also have an environmental management plan and environmental monitoring plan implementation reports</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Environmental Impact Assessment</p> <p>For concessions within production forest zones and privately-owned forests</p> <ul style="list-style-type: none"> Government Regulation PP27/2012 - http://www.menlh.go.id/DATA/ Regulation of the Minister for Environment 05/2012 <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Government Regulation PP27/2012 - http://www.menlh.go.id/DATA/ Regulation of the Minister for Environment 05/2012 <p>Legal authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF). 	<ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joi 	<p>indicating the actions taken to mitigate environmental impacts and provide social benefits.</p> <p>For privately-owned forest the Land Cultivation Rights holder or private-forest owners must have an approved applicable environmental impact assessment (EIA) document and have implemented measures identified in it (if required by regulation). The EIA documents must be approved by the competent authorities which cover the entire work area. The Land Cultivation Rights holder or private-forest owners must also have an environmental management plan and environmental monitoring plan implementation reports.</p> <p>Operating without a required Environmental Permit is a criminal offence under Law 32/2009 on Environmental Protection and Management (the Environmental Law).</p> <p>The SVLK certification process includes verification of these requirements.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> According to some stakeholders consulted in the preparation of this report, not all of the legal requirements are enforced or can be subject to bribes. Penalties are not very high for violating environmental law. They stated that there are numerous cases of companies not conducting an Environmental Impact Assessment

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> A Bupati or Mayor has the authority to approve the environmental license. The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. GANISPHPL-BINHUT is the technician who has the qualification (trained by government authorities) to manage protected forests, manage protected and endangered flora & fauna and implement environmental impact analysis. <p>Legally required documents or records</p> <p>For concessions within production forest zones and privately-owned forests</p> <ul style="list-style-type: none"> Applicable EIA documents 	<p>nt+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b</p> <ul style="list-style-type: none"> Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachments/euflegt/briefing_note_indonesia%20en.pdf 	<p>(AMDAL) – meaning the companies would not be able to obtain an Environmental License. But in practice these companies are managing the forest.</p> <ul style="list-style-type: none"> A review of recent literature published on the forest sector in Indonesia, and critical reviews of the SVLK system has not shown a lack of EIA or Environmental Licenses as a consistent issue (Miteva et al. 2015, INTERPOL 2012, EIA 2014, Overdevest & Zeitlin 2016, UNODC undated, Prasetyo et al 2012, WWF 2012, Forest Trends 2015, Anti Forest-Mafia Coalition 2014). However, a recent article of JPIK (7 years monitoring: Timber Processing Industries in East Java) in the 9th Edition of the Newsletter The Monitor (March, 2018), shows that violations against environmental requirements have been found in East Java between 2011 and 2017. “These violations include the following: <ul style="list-style-type: none"> Industries with poor environmental management performances and fail to implement company’s environmental management programs as required can still get away and obtain SLK certificates. Cases of polluted rivers and wells caused by waste from processed timber in Jombang in 2012 and polluted air from wood dust in Jombang in

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Environmental management plan and environmental monitoring plan documents Proof of implementation of the environmental management plan and monitoring of significant environmental and social impacts <p>For community plantation forests and community forests within Production Forest Zones</p> <ul style="list-style-type: none"> Applicable EIA documents Relevant environmental management and monitoring documents Proof of implementation of environmental management and monitoring of significant environmental and social impacts. 	<p>Non-Government Sources</p> <ul style="list-style-type: none"> Miteva DA, Loucks CJ, Pattanayak SK (2015) Social and Environmental Impacts of Forest Management Certification in Indonesia. PLoS ONE 10(7): e0129675. doi:10.1371/journal.pone.0129675. Available online: http://journals.plos.org/plosone/article?id=10.1371/journal.pone.0129675, accessed 9 February 2017. Nellemann, C., INTERPOL Environmental Crime Programme (eds). 2012. Green Carbon, Black Trade: Illegal Logging, Tax Fraud and Laundering in the Worlds Tropical Forests. A Rapid Response Assessment. United Nations Environment Programme, GRIDArendal. Available online: http://www.unep.org/pdf/RRALogging_english_scr.pdf, accessed 7 February 2017. Environmental Investigation Agency (EIA), 2014: <i>PERMITTING CRIME: How palm oil expansion drives illegal logging in Indonesia</i>. Available online at http://eia-international.org/wp- 	<p>2015 are just some of JPIK East Java's findings.</p> <p>“</p> <p>According to the same article of JPIK (2018), “these ongoing violations are caused by poor oversight and enforcement of the violations that occur, especially oversight by local government and related agencies. The way that Certification Bodies handle complaints is still unsatisfactory, especially those regarding environmental pollution. Certification bodies tend to use data from license holders without conducting their own independent lab testing on evidence of pollution from the ground”.</p> <p>Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate to: clearing of river banks, and other environmental irregularities, among others”.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>content/uploads/Permitting-Crime.pdf, accessed 25 January 17.</p> <ul style="list-style-type: none"> Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. United Nations Office on Drugs and Crime (UNODC) (undated). Indonesia - Forest Crimes. Available at https://www.unodc.org/southeastasiaandpacific/en/indonesia/forest-crime.html [Accessed 13 September 2016]. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/featu 	<p>Taking into consideration that the recent findings on violation of environmental requirements have been focused only on certain regions of the country, precautionary approach has been applied due to limited data on the extent of these issues for the whole country, thus this indicator is considered specified risk for all timber sources.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>re/corruption_perceptions_index_2017 [Accessed 13 March 2018].</p> <ul style="list-style-type: none"> • Agung Prasetyo, James Hewitt and Chen Hin Keong, 2012. INDONESIA: Scoping Baseline Information for Forest Law Enforcement, Governance and Trade - Baseline Study 7. Available online: http://www.euflegt.efi.int/documents/10180/23308/Baseline+Study+7,%20Indonesia+-+Overview+of+Forest+Law+Enforcement,%20Governance+and+Trade/fbbef7de-ead6-4238-b28b-7a3c57fb7979, accessed 8 February 2017. • WWF, 2012. Framework for Assessing Legality of Forestry Operations, Timber Processing and Trade Annex – Indonesia. Available online: http://awsassets.panda.org/downloads/indonesia_legality_framework_final_1.pdf, accessed 8 February 2017. • Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of</i> 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p><i>the Forest Industry, Phase 1.</i> Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016].</p> <ul style="list-style-type: none"> • Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system.</i> Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf, accessed 7 February 2017. • Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector.</i> Available online: http://www.hrw.org/reports/2009/12/01/wild-money, accessed 7 February 2017. • JPIK, 2018. 7 Years Monitoring: Timber Processing Industries in East Java. The Monitor, Newsletter 9th Edition. Independent Forest Monitoring Network (JPIK). Available online at: http://jpik.or.id/info/wp- 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>content/uploads/2018/Newsletter/Newsle tter%209%20edition%20[EN].pdf, accessed on 16 May 2018.</p> <ul style="list-style-type: none"> SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC. 	
1.11 Health and safety	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Act No 1 Year 1970 - http://hukum.unsrat.ac.id/uu/uu_1_70.htm Act No 13 Year 2003 - http://www.ppa- 	<p>Government Sources</p> <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. 	<p>Overview of Legal Requirements</p> <p>The main Indonesian law on OSH is the <i>Work Safety Act</i> (Law No.1, 1970). The Health Act (Law No. 23, 1992) dedicates its Article 23 for occupational health. The Regulation stipulates that “Any company employing 100 employees or more or containing harmful potential issues due to process characteristic or production material which</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>feui.com/images/upl/file-13934002502.pdf</p> <ul style="list-style-type: none"> Ministerial Regulation No. PER-01/MEN/1978 on safety and health in tree felling and log transportation (with instruction) Government Regulation PP50/2012 Regulation of the Minister for Manpower & Transmigration 8/2010 Regulation of the Minister for Manpower & Transmigration 609/2012 <p>Legal authority</p> <p>Directorate of OSH Standards of the Ministry of Manpower and Transmigration (DEPNAKER)</p> <p>According to the Work Safety Act (Law No.1, 1970), DEPNAKER is responsible for setting-up the national OSH policy. The Directorate General of OSH Standards</p>	<ul style="list-style-type: none"> Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66b6a9282c 	<p>may cause occupational accidents such as explosion, fire, contamination and occupational disease is obligated to implement an occupational health and safety management system (OSH-MS). An agency, called PT Sucofindo, is authorized by the Directorate of OSH Standards of the Ministry of Manpower and Transmigration (DEPNAKER) for auditing and certifying the companies for OSH-MS.</p> <p>The Manpower Act (Law No. 13, 2003) refers to OSH-MS (Articles 86 and 87). According to the Act “every worker has the right to receive protection against safety and health hazards, protection against immorality and indecency, and treatment that shows respect to human dignity and religious values; every enterprise must apply an OSH-MS, to be integrated into the enterprise’s general management system”.</p> <p>All levels of government (Ministry, Provinces, Districts) are required to prepare annual budgeted labour inspection plans (prepared one year in advance). As such, the majority of inspection visits are planned visits (first inspections and periodic visits) with the remainder of visits taking place as the result of a complaint or accident notification (ILO 2015).</p> <p>Different sanctions are foreseen for cases of violation of the labour laws. These include written warnings, economic fines, work stoppages and the withdrawal of operating licences or registration. Labour inspectors, in cases of non-compliance</p>

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	<p>undertakes general monitoring of OSH regulations while labour inspectors and OSH experts, appointed by DEPNAKER, undertake direct monitoring. OSH regulations are also included in laws such as the Health Act, as well as regulations related to mining, nuclear power, oil and gas, industry etc under the jurisdiction of such Government agencies as the Department of Health, the Department of Mining and Energy which is responsible for mining inspection, and the Department of Industry.</p> <p>As a result of a reorganization of DEPNAKER in 2003, the Directorate General of OSH Standards was divided into two Directorates, namely, the Directorate of Occupational Safety Standards and the Directorate of Occupational Health Standards.</p>	<ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesi 	<p>with the labour and OSH regulations, issue a minute/act/order to employers, and in case the situation is not corrected, the inspector may file a case with the court.</p> <p>Fulfilment of occupational safety and health (OSH) requirements, demonstrated by the availability of OSH procedures and their implementation is a requirement verified through the SVLK certification system. This is done via field verification of:</p> <ul style="list-style-type: none"> Implementation of OSH procedures OSH equipment; and Accident records <p>Description of Risk</p> <ul style="list-style-type: none"> According to the ILO (2015), despite the decentralized government system, efforts have been made to improve coordination between the central level and the provinces/districts. Presidential Decree No. 21 of 2010 concerning Labour Inspection specifically addresses the need for stronger coordination and monitoring of labour inspection activities throughout the country. Under this Decree, district offices are responsible for delivering the latest data and information on inspection activities in their region to the provincial offices and the Ministry. Coordination with the higher LI authority (either the

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Legally required documents or records</p> <p>For concessions, community plantation forests and community forests within production forest zones</p> <ul style="list-style-type: none"> • Implementation of OSH procedures • OSH Equipment • Accident records (<i>NOTE: not required in community plantation and community forests</i>) <p>There should be a certificate from the independent institute documenting that staff has passed the training.</p> <p>Chemical usage must follow the National Policy.</p>	<p>a-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c</p> <ul style="list-style-type: none"> • EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment/s/euflegt/briefing_note_indonesia%20en.pdf <p>Non-Government Sources</p> <ul style="list-style-type: none"> • ILO, 2015. Indonesia: Occupational safety and health. Available online: http://www.ilo.org/gateway/faces/home/polareas/occupationsafety?_adf.ctrl-state=mugpfm8ye_170&policyId=8&locale=EN&track=LP&countryCode=IDN, accessed 9 February 2017. • ILO, 2015 (B). Occupational safety and health country profile: Indonesia. Available online: http://www.ilo.org/safework/countries/asia/indonesia/lang--en/index.htm, accessed 9 February 2017. • Blue Green Alliance, 2010. <i>Illegal Logging in Indonesia the Environmental, Economic and Social Costs</i>. Available 	<p>Province or Ministry as the case may be) is mandatory in the case of labour crimes prosecutions. The Decree provides a system to maintain the Ministry's overall central authority role. This same Decree No. 21 requires that all district offices maintain a unit responsible for labour inspection. Even so, in practice, not all district offices have labour inspectors. In such cases, these offices are required to coordinate with Labour Inspectors in neighbouring district offices, provincial offices, or the Ministry.</p> <ul style="list-style-type: none"> • Non-compliances with health and safety requirements are a common finding in FSC assessment reports for Indonesia. (See public summaries for details, for example: http://www.rainforest-alliance.org/forestry/certification/transparency.) • According to experts consulted in the preparation of this report, there has been a high risk in the past that safety requirements are not implemented. Use of safety equipment is not common in Indonesia, with safety equipment being seen by some workers as a complication to their work flow. Sometimes, therefore, employees do not use safety equipment even though the company has provided it. Supervisors and managers commonly do not wear safety equipment; with a reported lack of enforcement or incentives to use it.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>online: https://www.bluegreenalliance.org/wp-content/uploads/2016/07/BGA-IndonesiaLogRpt.pdf, accessed 10 February 2010.</p> <ul style="list-style-type: none"> • Neil Scotman, et al. "Indonesia Country Paper on Illegal Logging: Executive Summary and Recommendations." World Bank - WWF Workshop on Control of Illegal Logging in East Asia. 28 August 2000, p7. • Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1</i>. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. • Environmental Investigation Agency (EIA), 2014: <i>Permitting Crime: How palm oil expansion drives illegal logging in Indonesia</i>. Available online: http://eia-international.org/wp- 	<ul style="list-style-type: none"> • A review of recent literature published on the forest sector in Indonesia, and critical reviews of the SVLK system do not contain specific references to issues associated with occupational health and safety (Miteva et al. 2015, INTERPOL 2012, EIA 2014, Overdevest & Zeitlin 2016, UNODC undated, Prasetyo et al 2012, WWF 2012, Forest Trends 2015, Anti Forest-Mafia Coalition 2014). A 2010 report published by the Blue Green Network states that 'In addition, loggers and sawmill workers often operate dangerous machinery under poor conditions, with no health or safety safeguards', however they are quoting a 2000 report (Scotman et al 2000). However, a recent article of JPIK (7 years monitoring: Timber Processing Industries in East Java) in the 9th Edition of the Newsletter The Monitor (March, 2018), shows that violations against Occupational Health and Safety (OHS) standards have been found in East Java between 2011 and 2017. "These violations include the following: <ol style="list-style-type: none"> 1. There is low compliance with OHS regulations, especially in small-medium scale industries. 2. Fulfillment of OHS standards is carried out only during auditor visits to assess S-LK certificate. Once auditors

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		<p>content/uploads/Permitting-Crime.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> • Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf, accessed 7 February 2017. • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. • Transparency International (2018). Corruption Perception Index 2017 - 	<p>leave the industry's premises, workers are reluctant to implement OHS regulations.</p> <p>These ongoing violations are caused by poor oversight and enforcement of the violations that occur, especially oversight by local government and related agencies". Also, a press release by JPIK in March 2018 (Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management), stated that "during monitoring developed between 2014-2017, several weaknesses in SVLK practice were found, especially in supervision and law enforcement. The holder of industrial license was still found issues regarding implementation of Work's Safety and Health, among others".</p> <ul style="list-style-type: none"> • The first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), did not raise concerns regarding non-compliances specific to OHS regulations, only mentioned social irregularities. <p>Even though the first periodic evaluation of FLEGT VPA did not provide evidences of non-compliance with health and safety requirements, other sources like recent articles on SVLK implementation, and stakeholder consultation raised certain concerns on this regard. Based on the fact that there</p>

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		<p>Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018].</p> <ul style="list-style-type: none"> • EFI EU FLEGT Facility, 2016. Q&A - <i>Indonesia-EU Voluntary Partnership Agreement</i>. Available online: http://www.euflegt.efi.int/publications/indonesia-eu-voluntary-partnership-agreement, accessed 7 February 2017. • Hukumonline, 2010. Trillions of losses from the State Forestry Sector. Available online: http://new.hukumonline.com/berita/baca/t4bdbadf3be1d0/kerugian-negara-dari-sektor-kehutanan-triliunan, accessed 7 February 2017. • Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector</i>. Available online: http://www.hrw.org/reports/2009/12/01/wild-money, accessed 7 February 2017. 	<p>are contradicting evidences to assess law enforcement for this indicator, precautionary approach is applied, thus this indicator is considered specified risk.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> • JPIK, 2018. 7 Years Monitoring: Timber Processing Industries in East Java. The Monitor, Newsletter 9th Edition. Independent Forest Monitoring Network (JPIK). Available online at: http://jpik.or.id/info/wp-content/uploads/2018/Newsletter/Newsletter%209%20edition%20[EN].pdf, accessed on 16 May 2018. • JPIK, March 2018. Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management. News published in JPIK website. Available online at: http://jpik.or.id/deforestation-social-conflict-keep-happening-indonesian-government-strengthen-sustainability-system-forest-management/, accessed on 16 May 2018. • SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		https://silk.depht.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf , accessed on 15 May 2018. <ul style="list-style-type: none"> Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC. 	
1.12 Legal employment	Applicable laws and regulations <ul style="list-style-type: none"> Act No. 13 of 2003 concerning Manpower [MA] <i>Date: 25 Mar 2003</i> Link to Act No. 13 of 2003 in NATLEX Act No. 21 of 2000 concerning Trade Unions [TUA] <i>Date: 04 Aug 2000</i> Link to Act No. 21 of 2000 in NATLEX Act No. 2 of 2004 concerning Industrial Relations Disputes Settlements [IRDSA] <i>Date: 14</i> 	Government Sources <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of 	Overview of Legal Requirements <p>For concessions within production forest zones and privately-owned forests workers' rights are enshrined in law, these include: freedom of association for workers and the existence of collective labour agreements. Employment of minors/underage workers is prohibited.</p> <p>For community plantation forests, community forests within Production Forest Zones and timber utilisation rights within non-forest zones or from convertible production forest, requirements relating to freedom of association and collective labour agreements do not apply. Employment of minors/underage workers is prohibited.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p><i>Jan 2004 Link to Act No. 2 of 2004 in NATLEX</i></p> <ul style="list-style-type: none"> Act No. 13 of 2003 on Manpower Act No. 23 of 1948 on Labour Inspection; Act No. 3 of 1951 on the implementation of Act No. 23 of 1948 for all of Indonesia; Act No. 1 of 1970 on Occupational Safety; Act No. 21 of 2003 on the ratification of ILO Convention No. 81; Presidential Decree No. 21 of 2010 on Labour Inspection; Ministerial Decree No. PER. 03/MEN/1984 on Integrated Labour Inspection; Ministerial Decree No 02 of 2011 on Labour Inspection Implementation, Supervision, and Coordination; 	<p>Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b 	<p>Hiring/firing:</p> <ul style="list-style-type: none"> Contracts of employment can include a probationary period which cannot exceed 3 months. However, fixed-term contracts cannot stipulate a probation period. Fixed term contracts can be used for objective and material reasons. For successive fixed-term contracts, the labour law limits their number to two and their maximum cumulative duration to 36 months. As a general rule, the law requires no express obligation to state the reasons for dismissal. However, the employer must negotiate termination with the worker or the trade union to which the latter belongs to. The law defines a list of valid grounds for dismissal related to the worker's conduct, worker's capacity or economic reasons. <p>Minimum wage:</p> <ul style="list-style-type: none"> The minimum wage is set at a regional level by the Governor, following recommendations from the Provincial and/or District Wage Council(s) and in accordance with the National Government's wage policy. The minimum wage is to be based on the needs for a decent living, taking into account productivity and economic growth.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Ministerial Decree No.15 2011 on the Labour Inspection Information Network System; Ministerial Decree No. 10 of 2012 on the Labour Inspection Committee. <p>For concessions within production forest zones and privately-owned forests</p> <ul style="list-style-type: none"> Act 13/2003 Regulation of the Minister for Manpower & Transmigration 16/2011 Act 23/2002 <p>For community plantation forests, community forests within Production Forest Zones and timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> Act 23/2002 Act 13/2003 	<ul style="list-style-type: none"> Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment/euflegt/briefing_note_indonesia%20en.pdf 	<p>Child Labour:</p> <ul style="list-style-type: none"> The legal age for admission to employment is set at 15 years. General age for admission to employment: 15 years old (Art. 3 Ministerial Decree No. 235/MEN/2003). There is a prohibition for entrepreneurs to employ children. Children under 15 may engage in activities developing talents and interests (Art. 5 of Ministerial Decree No. 235/MEN/2003). This corresponds to the legal age of completion of 9 years of compulsory basic education in Indonesia. <p>Fulfilment of workers' rights, including freedom of association for workers, the existence of collective labour agreements and obeying minimum age rules, is a requirement verified through the SVLK certification system. This is done via field verification of:</p> <ul style="list-style-type: none"> Workers belong to worker's unions or company policies allow workers to establish or get involved in union activities Collective labour agreement documents or company policy documents on labour rights There are no underage workers

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Indonesia has ratified 18 ILO Conventions, including all eight Fundamental Conventions:</p> <ul style="list-style-type: none"> • C.29 - Forced Labour Convention, 1930 • C.87 - Freedom of Association and Protection of the Right to Organise Convention, 1948 • C.98 - Right to Organise and Collective Bargaining Convention, 1949 • C.100 - Equal Remuneration Convention, 1951 • C.105 - Abolition of Forced Labour Convention, 1957 • C.111 - Discrimination (Employment and Occupation) Convention, 1958 • C.138 - Minimum Age Convention, 1973 • C.182 - Worst Forms of Child Labour Convention, 1999 	<p>Non-Government Sources</p> <ul style="list-style-type: none"> • ILO, 2015. Indonesia: Child labour. Available online: http://www.ilo.org/gateway/faces/home/polareas/childlabour?locale=EN&countryCode=IDN&track=null&policyId=11&adf.ctrl-state=mugpfm8ye_38, accessed 9 February 2017. • Badan Pusat Statistik (Statistics Indonesia), 2010. The Launch of ILO – BPS Child Labour Survey in Indonesia: “Working Children in Indonesia 2009”. Available online: http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-jakarta/documents/publication/wcms_123585.pdf, accessed 10 February 2017. • ILO, 2015. Indonesia: Working time. Available online: http://www.ilo.org/gateway/faces/home/polareas/worktime?_adf.ctrl-state=mugpfm8ye_470&policyId=6&locale=EN&track=LP&countryCode=IDN, accessed 9 February 2017. 	<p>Description of Risk</p> <ul style="list-style-type: none"> • According to the ILO (2015), there are 1.8 million children engaged in child labour in Indonesia, or 3.0 per cent of the child population aged 5 to 17 (BPS, 2010). This consists of 977,000 boys (3.2 per cent) and 778,000 girls (2.7 per cent). More than half of working children aged 5 to 17 years work in agriculture, forestry, hunting and fishery (57.2 per cent) (BPS, 2010). Almost half the child labour population (aged 5–17) is engaged in hazardous work and more than half of working children aged 13 to 14 years is engaged in work that does not constitute light work. • There are a number of historical reports which highlight issues with the labour sector, for example a 2010 report published by the Blue Green Network states that ‘populations in areas from which timber is extracted remain impoverished. Loggers receive little payment for their work and tend to be indebted to logging bosses,’ however they are quoting a 2000 study (Scotman et al 2000). • Many recent reports highlight issues related to the labour market in Indonesia, but do not focus specifically on the forest sector. A 2016 Greenpeace study highlighted widespread exploitation of workers in the palm oil industry, and the use of child labour. Human Rights

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>On child labour:</p> <ul style="list-style-type: none"> Ministerial Decree no. 235/MEN/2003, Art. 3, 5, 74, 69, 75 The Constitution of 1945. Manpower Law no. 13/ 2003 Presidential Decree no. 12/2001 Ministerial Decree (MOHA) no. 5/2001 Ministerial Decree No. 115/MEN/VII/ Ministerial Decree No. 235/MEN/2003 Law No.39/004 on placement and protection of Indonesian workers in foreign countries Presidential Decree No. 59 of 2002 on the worst forms of child labour. A Law on anti-trafficking was adopted in 2007 (No 21). 	<ul style="list-style-type: none"> ILO, 2015. Indonesia: Labour administration and inspection. Available online: http://www.ilo.org/gateway/faces/home/polareas/labadmmandinspec?_adf.ctrl-state=mugpfm8ye_470&policyId=13&locale=EN&track=LP&countryCode=IDN, accessed 9 February 2017. ILO, 2015. Indonesia: Hiring and firing. Available online: http://www.ilo.org/gateway/faces/home/polareas/hireandfire?_adf.ctrl-state=mugpfm8ye_470&policyId=7&locale=EN&track=LP&countryCode=IDN, accessed 9 February 2017. Better Work Indonesia, 2012. <i>Indonesian Labour Law Guide</i>. Available online: file:///C:/Users/Alexandra%20Banks/Downloads/Better-Work-Indonesia-E-Book-with-Audio-ENGLISH.pdf, accessed 9 February 2017. Blue Green Alliance, 2010. <i>Illegal Logging in Indonesia the Environmental, Economic and Social Costs</i>. Available online: 	<p>Watch's 2017 World Report states that 'thousands of children in Indonesia, some just 8 years old, are working in hazardous conditions on tobacco farms.'</p> <ul style="list-style-type: none"> The US Department of Labour maintain a <i>List of Goods Produced by Child Labor or Forced Labor</i>. In 2017, Indonesia at risk products are reported to be: Fish, Footwear (sandals), Gold, Oil (palm), Rubber, Tin and Tobacco. Experts consulted in the preparation of this report stated that although required by law, there is a risk that companies do not register all their employees, preventing these workers from getting a social security card and minimum medical coverage. However, experts stated that registration of employees is fairly well enforced in Indonesia. Public awareness about employee rights is high, but due to the remoteness of some of the timber companies, the actual enforcement can be inconsistent. A review of recent literature published on the forest sector in Indonesia, and critical reviews of the SVLK system do not contain specific references to issues associated with labour laws (Miteva et al. 2015, INTERPOL 2012, EIA 2014, Overdevest & Zeitlin 2016, UNODC undated, Prasetyo et al 2012, WWF 2012, Forest Trends 2015, Anti Forest-Mafia Coalition 2014, JPIK, 2018). A 2010 report published by the Blue Green

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Minimum wage:</p> <ul style="list-style-type: none"> • Law on Manpower Affairs, Act No. 13 of 2003, dated 25 March 2003 (State Gazette of 2003) Unofficial translation prepared by ILO Jakarta • Decision of the President of the Republic of Indonesia concerning the Wage Council, GR No.107 of 2004 dated 18 October 2004. Published by Ministry of Manpower and Transmigration and ILO Jakarta in Labour Regulations, 2005, Jakarta, Indonesia, ISBN: 92-2-017414-6 • Minimum Wages, Regulation of the Manpower Minister No. Per-01/Men/1999, Business News, 26 February 1999, Nos. 6278-80, as amended by the Decree No. Kep. 226/Men/2000 (Business News, 1 November 2000, Nos. 6536-6537) 	<p>https://www.bluegreenalliance.org/wp-content/uploads/2016/07/BGA-IndonesiaLogRpt.pdf, accessed 10 February 2010.</p> <ul style="list-style-type: none"> • Neil Scotman, et al. "Indonesia Country Paper on Illegal Logging: Executive Summary and Recommendations." World Bank - WWF Workshop on Control of Illegal Logging in East Asia. 28 August 2000, p7. • Greenpeace International, 2016. 'A deadly trade-off: IOI's palm oil supply and its human and environmental costs' September 2016. Available online: http://www.greenpeace.org/international/Global/international/publications/forests/2016/Deadly-Trade-off-IOI-Report.pdf, accessed 10 February 2017. • Human Rights Watch, 2017. <i>World Report 2017 – Indonesia</i>. Available online: https://www.hrw.org/world-report/2017/country-chapters/indonesia, accessed 10 February 2017. • US Department of Labour, 2016. <i>List of Goods Produced by Child Labor or</i> 	<p>Network states that 'In addition, loggers and sawmill workers often operate dangerous machinery under poor conditions, with no health or safety safeguards', however they are quoting a 2000 report (Scotman et al 2000). Furthermore, the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), did not raise concerns regarding non-compliances specific to legal employment requirements, only mentioned social irregularities.</p> <ul style="list-style-type: none"> • Nevertheless, stakeholders participating in the consultation meeting held on 11 July 2018 agreed that the verification audit process based on SVLK/PHPL standard on implementation of labour standards at management units is inadequate as it is only done by checklist and does not involve consultation with trade unions or worker's representatives. Indonesian Forestry and Allied Workers' Union (Kahutindo) observes that there are violations of labour rights still occurring in the SVLK/PHPL certified operations. <p>Even though no issues related to legal employment requirements have been raised in the evaluation of the FLEGT VPA by several sources, consulted stakeholders agreed that verification audit processes based on</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Government Regulation No. 8 of 1981 on the Protection of Wages, State Gazette No. 8 of 1981 Decision of the Minister of Manpower and Transmigration concerning regulation on the structure and scale of wages, MOMT Decree No 49/MEN/IV/2004. Published by Ministry of Manpower and Transmigration and ILO Jakarta in Labour Regulations, 2005, Jakarta, Indonesia, ISBN: 92-2-017414-6 <p>Legal authority</p> <p>The institution responsible for labour affairs is the Ministry of Manpower and Transmigration (MOMT).</p> <p>Act No. 13 of 2003 on Labour Law establishes the Ministry of Manpower and Transmigration (MOMT) as the only government institutional responsible for labour matters.</p>	<p><i>Forced Labor</i>. Available online: https://www.dol.gov/ilab/reports/child-labor/list-of-goods/, accessed 10 February 2017.</p> <ul style="list-style-type: none"> Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1</i>. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. Environmental Investigation Agency (EIA), 2014: <i>Permitting Crime: How palm oil expansion drives illegal logging in Indonesia</i>. Available online: http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017. Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%281 	<p>SVLK/PHPL standard on implementation of labour standards at management units is inadequate, and that violations of labour rights are still occurring. As already mentioned in the Note in the <i>Overview of the forest sector in Indonesia</i> section of this category, in the case of private tree plantations, it is not possible to consider the endorsement of SVLK system as sufficient, as there is no data available on the use of DKPs, according to the First Periodic Evaluation developed by SUCOFINDO. Furthermore, based on the fact that there are forests that remain without SVLK certification, and taking into account the reports of ILO (2015) and US Department of Labour (2017) that show that child labour can be found in the forest sector, precautionary approach has been applied, thus specified risk is considered for the whole country.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk for the whole country. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>There were 1,468 active labour inspectors by the end of 2010 at provincial and district/city levels, with an additional 124 inspectors at the national level for a total of labour inspectors 1,592 persons. The labour inspectors were divided into 1,275 general inspectors and 317 specialists.</p> <p>Legally required documents or records</p> <p>For concessions within production forest zones and privately-owned forests</p> <ul style="list-style-type: none"> Workers belong to workers' unions or company policies allow workers to establish or get involved in union activities Collective labour agreement documents or company policy documents on labour rights Records and field visits show there are no underage workers 	<p>8Mar14%29%20SVLK%20Flawed%20FI NAL.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. EFI EU FLEGT Facility, 2016. Q&A - <i>Indonesia-EU Voluntary Partnership Agreement</i>. Available online: http://www.euflegt.efi.int/publications/indo 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>For community plantation forests and community forests within Production Forest Zones and timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> Records and field visits show there are no underage workers 	<p>nesia-eu-voluntary-partnership-agreement, accessed 7 February 2017.</p> <ul style="list-style-type: none"> Hukumonline, 2010. Trillions of losses from the State Forestry Sector. Available online: http://new.hukumonline.com/berita/baca/t4bdbadf3be1d0/kerugian-negara-dari-sektor-kehutanan-triliunan-, accessed 7 February 2017. Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector</i>. Available online: http://www.hrw.org/reports/2009/12/01/wild-money, accessed 7 February 2017. JPIK, 2018. 7 Years Monitoring: Timber Processing Industries in East Java. The Monitor, Newsletter 9th Edition. Independent Forest Monitoring Network (JPIK). Available online at: http://jpik.or.id/info/wp-content/uploads/2018/Newsletter/Newsletter%209%20edition%20[EN].pdf, accessed on 16 May 2018. 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> • JPIK, March 2018. Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management. News published in JPIK website. Available online at: http://jpik.or.id/deforestation-social-conflict-keep-happening-indonesian-government-strengthen-sustainability-system-forest-management/, accessed on 16 May 2018. • SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. • Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC. 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
Third parties' rights			
1.13 Customary rights	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Government Regulation No 89 Year 2014 on Indigenous Forest. Act No 41 Year 1999 on Forestry in conjunction with Constitutional Court Verdict No 35 Year 2012 - http://prokum.esdm.go.id/uu/1999/uu-41-1999.pdf Ministerial Regulation 1999 - Guidelines to Solving Problem of Adat Communities. <p>See also laws on SVLK and VPA in 1.1.</p> <p>Legal authority</p> <p>Minister and Ministry of Environment and Forestry (MoEF).</p>	<p>Government Sources</p> <ul style="list-style-type: none"> Timber Legality Information System <i>Sistem Informasi Legalitas Kayu (SILK)</i>, (2016) Online portal related to V-legal document publishing. [online] Sub Directorate of Information Timber Legality Verification, Directorate General of Forest Utilization. Available at: http://sil.k.dephut.go.id/index.php. [Accessed 13 September 2016]. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+PI 	<p>Overview of Legal Requirements</p> <p>Customary and indigenous rights are not distinct in Indonesia. Access to land and tenure for local communities living in forest concession areas is recognized as one mechanism to promote their economic development. Local people can also access smaller volume timber allocations through personal use cutting permits. Local communities may utilize forest resources to provide materials for shelter and cultural activities (CSG 2015). When local communities wish to manage such forest land, they may implement a community plantation forest, community forest and village forest. The Ministry of Forestry has issued a policy on community forestry through several schemes, namely Hutan Tanaman Rakyat (HTR), Hutan Kemasyarakatan (HKm), and Hutan Desa (HD) (CSG 2015).</p> <p>On 6 May 2013 Indonesia's Constitutional Court ruled that the customary forests of Indigenous Peoples should not be classed as falling within 'state forest areas', thereby paving the way for wider recognition of the rights of Indigenous Peoples in the Archipelago (European Parliament, 2013). The decision modified the 1999 Law by placing millions of hectares previously controlled by the government back into</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p><i>Legally required documents or records</i></p> <p>There are many customary rights, called "adat" that are recognized without legal documents.</p>	<p>an+on+the+advancement+of+VPA+imple mentation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+ID+N+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - 	<p>the hands of indigenous peoples. The ruling separated state and public forests and divided the latter into customary and individual forests, thereby removing customary forests from state control. According to the judge, the ruling will 'give indigenous peoples the right to use their land to fulfill their personal and family needs' (First Peoples Worldwide, 2013).</p> <p>Legal questions are ongoing about how effective the Constitutional Court's ruling will be in enabling indigenous communities to enforce their traditional rights over natural resources (Butt, 2014 in Overdevest et al., 2016), which the Ministry of Forestry has sought to exploit through a series of new regulations creating administrative barriers to the transfer of control over customary forest land.</p> <p>The overwhelming majority of forested land in Indonesia is classified as state forest and is therefore controlled by the state. Although the BAL recognizes the customary land rights – called hak ulayat – of traditional adat communities, including communities living in forests, the recognition applies only to communities that —still exist, and only if the interests of the community do not violate interests of the Indonesian state.</p> <p>According to Overdevest et al. (2016), at one point during the multi-stakeholder negotiations over the SVLK, it appeared as if the legality standard for timber harvested on state-owned</p>

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		<p>http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0</p> <ul style="list-style-type: none"> Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment/euflegt/briefing_note_indonesia%20en.pdf European Parliament resolution on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Indonesia on forest law enforcement, governance and trade in timber products into the European Union (2013/2990(RSP)) - 	<p>lands would include an instruction to auditors ‘to look at community documentation of traditional/customary rights, agreements between companies and communities, and documentation of how land conflicts have been resolved’. But these criteria were deleted from the final version included in the VPA). Under the SVLK system, changes in the procedures for utilization and/or administration of timber from customary forests, to address implementation of Constitutional Court Decision (MK) No. 35/PUU-X/2012, shall be introduced after the adoption of related implementing legislation (VPA Agreement, Annex V).</p> <p>Description of Risk</p> <ul style="list-style-type: none"> Lack of consultation has been identified as an issue in some FSC FM audits (NEPCon 2016). Historically, according to the ARD, there were five core factors that motivate and sustain forest-related conflicts are: direct and indirect involvement of the Indonesian formal security and military forces in timber conflict; (2) fragmentation of natural resource management authority due to rapid devolution of political power from the central government to kabupaten authorities; (3) kabupatens’ abuse of their newly evolved political powers; (4) selective and inconsistent law enforcement; and (5)

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		<p>http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B7-2014-0187+0+DOC+XML+V0//EN</p> <p>Non-Government Sources</p> <ul style="list-style-type: none"> Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. NEPCon, 2016. <i>Public Summary - FSC Controlled Wood Forest Management Certification First surveillance audit Report for: PT Pandu Maha Wana (Asia Pacific Consulting Solutions [APCS])</i>. Available online: http://fsc.force.com/servlet/servlet.FileDownload?file=00P3300000ghqJ8EAI, accessed 9 February First Peoples Worldwide, 2013. <i>Indonesian court ruling gives land rights back to millions of indigenous people</i>. Available: 	<p>ambiguous land and resource tenure (ARD 2004 in USAID 2014).</p> <ul style="list-style-type: none"> According to USAID (2010), conflicts are common between forest-dwelling adat communities and timber companies and others who want to harvest trees, and such conflicts often turn violent. The basis of all such conflicts is disagreement over the state's authority to harvest the trees or grant harvesting rights to corporations. Since the SVLK was launched, civil society organizations have been closely tracking its implementation in order to expose performance gaps and hold the Indonesian government and the EU accountable for meeting the VPA's stated goals. These organizations interview local communities to investigate the implementation and auditing of SVLK legality standards, while combining this information with analyses of forest cover changes using internationally sourced satellite data. NGOs such as Forest Watch Indonesia (FWI) and the Indonesia Centre for Environmental Law (ICEL) have submitted strategic requests to test the new public information laws, seeking in particular to obtain sensitive documents on the permit allocation process which are not formally covered by the VPA itself.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>https://www.culturalsurvival.org/news/indonesian-court-ruling-gives-land-rights-back-millions-indigenous-people, accessed 1 May 2017.</p> <ul style="list-style-type: none"> • Butt, S. 2014. 'Traditional Land Rights Before the Indonesian Constitutional Court', Law, Environment and Development Journal 10(1): 59-73. • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. • Sapariah Saturi, 2014. <i>Komnas HAM Mulai Bongkar Kejahatan terhadap Masyarakat Adat, Bagaimana Caranya?</i> Available: 	<ul style="list-style-type: none"> • The 2014 report <i>SVLK in the Eyes of the Monitor</i>, published by JPIK, was based on detailed monitoring of 31 companies which had applied for SVLK certification between 2011 and 2013. The report highlighted numerous shortcomings in the auditing process, including failure to consult local communities and follow up on non-compliances and complaints raised by the independent monitors, together with a host of other violations of the legality standards, including efforts to intimidate the IMs themselves. • The JPIK report built on the findings of the Human RightsWatch 2013 report <i>The Dark Side of Green Growth in Indonesia</i>, which also focused on violent conflicts arising from the government's failure to safeguard the rights of local communities in awarding concessions to companies for the exploitation and conversion of forest land. • Responding to criticisms of the SVLK raised by Human RightsWatch (and the Anti-Forest Mafia Coalition), the European Parliament resolution calls upon the European Commission to ensure that these concerns are satisfactorily addressed before approving the Indonesian FLEGT licensing system. The resolution reaffirms that 'in order to issue FLEGT licences', the SVLK 'must be

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		<p>http://www.mongabay.co.id/2014/08/19/komnas-ham-mulai-bongkar-kejahatan-terhadap-masyarakat-adat-bagaimana-caranya/, accessed 1 May 17.</p> <ul style="list-style-type: none"> Sapariah Saturi, 2014. <i>Inkuiri Ungkap Banyak Pelanggaran HAM Dera Masyarakat Adat di Kawasan Hutan</i>. http://www.mongabay.co.id/2014/12/18/inkuiri-ungkap-banyak-pelanggaran-ham-dera-masyarakat-adat-di-kawasan-hutan/, accessed 1 May 2017. Republika, 2014. Tanah Adat yang Terampas. http://www.rimbawan.com/images/stories/Kumpulan_Berita/2014/Oktober/I/4%20%20oktober_republika_tanah%20adat.pdf, accessed 1 May 17. Kompas, 2014. <i>Dua Hutan Adat Ditetapkan</i>. http://www.rimbawan.com/images/stories/Kumpulan_Berita/2014/nopember/I/5%20nop_kompas-dua.pdf, accessed 1 May 17. USAID (2010). <i>USAID Country Profile - Property Rights & Resource Governance</i> 	<p>operational with a view to achieving the goals of the VPA.' (Overdevest et al., 2016).</p> <ul style="list-style-type: none"> Setyowati et al. (2017) reports on the ongoing debates on the extent to which forest tenure clarification needs to be addressed in the timber legality assurance system, especially considering widespread overlapping tenure claims over forest areas. [...] Currently, the VLK standards merely require documentation showing clarity on the origin of the timber, permits for timber harvesting (if on state forests), proof of land ownership (if on privately owned forest), transport permits, and any other legal documentation required. Setyowati et al. (2017) also state that the 'focus on official documentation of ownership, harvest, and transport rights is ill suited to address tenure-related corruption and conflicting resource rights. Furthermore, the Indonesian stakeholders interviewed did not view SVLK certification as a promising tool to address these issues in the future either, belying predictions that legality verification is likely to "ratchet up" forest standards (Cashore and Stone 2012) in ways that enhance community rights (Bartley 2014) or contribute to the formalization of local rights as advocated by Obidzinski and Kusters (2015).

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>– Indonesia. Available at http://www.usaidlandtenure.net/sites/default/files/country-profiles/full-reports/USAID_Land_Tenure_Indonesia_Profile_0.pdf [Accessed 14 September 2016].</p> <ul style="list-style-type: none"> • ARD Inc. 2004. Growing conflict and unrest in Indonesian forests. Burlington: ARD, Inc. http://pdf.usaid.gov/pdf_docs/Pnadd200.pdf (accessed 23 January 2017). • Contreras-Hermosilla, Arnoldo, and Chip Fay. 2005. Strengthening forest management in Indonesia through land tenure reform: Issues and framework for action. http://www.rightsandresources.org/publication_details.php?publicationID=1338 (accessed 28 March 2010). • Landportal.info (undated). Landbook – Indonesia. https://landportal.info/book/countries/IDN/pdf/pdf. (accessed 23 January 17). • JPIK, 2014. <i>SVLK in the Eyes of the Monitor: Independent Monitoring and a</i> 	<ul style="list-style-type: none"> • A press release by JPIK in March 2018 (Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management), stated that “during monitoring developed between 2014-2017, several weaknesses in SVLK practice were found, especially in supervision and law enforcement. [...] Almost 50% or 11,2 million hectares of land in North Sumatera, East Kalimantan, and North Maluku were controlled by permit holders corporates (Logging, timber, palm oil, and mining), Only 4% or 812.000 hectare of land were allocated for people in many forms of social forestry (Community Forestry, People’s Plantation Forest, Partnership Forestry, Forest Village, and customary Forest). “Beside as direct cause of deforestation, inequality of land tenure in the three provinces also impacted on social conflict happened between the company and the people.” Agung continued. Delima Silalahi, Coordinator of Advocacy and Studies Division KSPPM added, “Forest logging which also include incense plantation belongs to the people is still happening at concession area of PT. Toba Pulp Lestari (TPL) at Pollung Sub-District, Humbang Hasundutan District. All this time, concession area of TPL overlapped with customary territories of the indigenous people.

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		<p><i>Review of the Implementation of the Timber Legality Verification System, 2011-2013</i>, http://fwi.or.id/english/wp-content/uploads/2014/11/JPIK_SVLK-in-teh-Eye-of-the-Monitor.pdf, accessed 1 May 17.</p> <ul style="list-style-type: none"> Human Rights Watch, 2013. <i>The Dark Side of Green Growth: Human Rights Impacts of Weak Governance in Indonesia's Forestry Sector</i>, July, https://www.hrw.org/report/2013/07/15/dark-side-green-growth/human-rights-impacts-weak-governance-indonesias-forestry, accessed 1 May 17. Abidah Setyowati & Constance L. McDermott (2017) <i>Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade</i>, <i>Society & Natural Resources</i>, 30:6, 750-764, DOI: 10.1080/08941920.2016.1239295 Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance</i> 	<p>Despite being rejected by the indigenous people in the area, the company still tried to enter their customary land".</p> <p>Similar matter also stated by Fathur Roziqin, Executive Director of Walhi in East Kalimantan, "Tenurial conflicts between Lebak Cilong villagers and PT. ITCI Hutani Manunggal (IHM) happened after IHM claimed their right to manage the land which had been managed by the people after getting concession permit from Ministry of Environment and Forestry, whereas the land had been managed by the people from generation to generation". [...]</p> <p>JPIK monitoring resulted in 54 permits holder with SVLK certificates (PHPL and VLK) still found issues about boundary conflict, low basic rights recognition of the people, and weak forest protection efforts to the holder of IUPHHK-HA and HT."</p> <ul style="list-style-type: none"> Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), indicate that "at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more

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		<p>and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17.</p> <ul style="list-style-type: none"> • JPIK, March 2018. Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management. News published in JPIK website. Available online at: http://jpik.or.id/deforestation-social-conflict-keep-happening-indonesian-government-strengthen-sustainability-system-forest-management/, accessed on 16 May 2018. • SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: 	<p>serious nature and thus also reported to the MOEF. The non-compliant observations relate, for example, to: conflict with local communities and social irregularities, among others”.</p> <ul style="list-style-type: none"> • It is important to highlight the concerns raised by Bartley (2014) and EU-Indonesia (2014) (cited by Christine Overdevest & Jonathan Zeitlin, 2016, which can also be found above in the <i>Overview of the forest sector in Indonesia</i> section of this category): “One longstanding point of contention concerns the status of indigenous peoples’ rights to their traditional lands. The dispute goes back to a 1999 law,²¹ At one point during the multi-stakeholder negotiations over the SVLK, it appeared as if the legality standard for timber harvested on state-owned lands would include an instruction to auditors ‘to look at community documentation of traditional/customary rights, agreements between companies and communities, and documentation of how land conflicts have been resolved’. But these criteria were deleted from the final version included in the VPA, though NGOs were hopeful that these issues would be addressed to some extent in the environmental and social impact assessment required by law and included in the legality”, and also the concerns raised by Setyowati et al. (2017) in relation to the same topic, mentioned above.

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		https://silk.depht.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf , accessed on 15 May 2018.	<p>In this context, it is relevant to mention that the assessment of this indicator focuses on legislation covering customary rights relevant to forest harvesting activities. Therefore, the endorsement of the SVLK cannot be considered as sufficient evidence for the assessment of this indicator.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>
1.14 Free, Prior and Informed Consent	<p>Applicable laws and regulations</p> <p>FPIC is not mentioned or required as such, in Act No 41 Year 1999 on forestry.</p> <p>Legal authority</p> <p>Minister and Ministry of Environment and Forestry (MoEF).</p> <p>Legally required documents or records</p> <p>Not applicable</p>	<p>Non-Government Sources</p> <ul style="list-style-type: none"> Court ruling: Constitutional Court Verdict No 45 Year 2011 - http://www.mahkamahkonstitusi.go.id/putusan/putusan_sidang_45%20PUU%202011-TELAH%20BACA.pdf <p>European Parliament resolution on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Indonesia on forest law</p>	<p>Overview of Legal Requirements</p> <p>For companies doing business in Indonesia, it is common practice to communicate with the village and establish community development programs. Companies have to pay a contribution to the community, but there is no guarantee of Free, Prior and Informed Consent (FPIC).</p> <p>There has been a recent court ruling that indicated FPIC may be gaining status in Indonesia. For now, FPIC is not a legal requirement and not widely practiced, although there are examples where FPIC was voluntarily implemented. Generally, the absence of conflict, transparency of processes</p>

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		<p>enforcement, governance and trade in timber products into the European Union (2013/2990(RSP)) - http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B7-2014-0187+0+DOC+XML+V0//EN</p>	<p>as well as public sharing of information are valuable verifiers to identify the degree of FPIC in practice.</p> <p>Risk Conclusion</p> <p>Not applicable</p>
1.15 Indigenous peoples' rights	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Government Regulation No 89 Year 2014 on Indigenous Forest - http://www.dephut.go.id/uploads/files/e3ca3a4fcb8ca92fb60773df2d560d0c.pdf Act No 41 Year 1999 on Forestry Constitutional Court Verdict No 35 Year 2012. <p>See also laws on VPA and SVLK in 1.1.</p> <p>Legal authority</p> <p>Minister and Ministry of Environment and Forestry (MoEF).</p>	<p>Government Sources</p> <ul style="list-style-type: none"> Constitutional court verdict to provide a legal passage for granting forest ownership to indigenous communities - Decision No. 35 / PUU-X / 2012: http://www.redd-monitor.org/wp-content/uploads/2013/05/putusan_sidang_35-PUU-2012-Kehutanan-telah-ucap-16-Mei-2013.pdf Timber Legality Information System <i>Sistem Informasi Legalitas Kayu (SILK)</i>, (2016) Online portal related to V-legal document publishing. [online] Sub Directorate of Information Timber Legality Verification, Directorate General of Forest Utilization. Available at: 	<p>Overview of Legal Requirements</p> <p>The question of customary land law in Indonesia is especially complicated. Article 5 of the Basic Agrarian Law (BAL or UUPA), Law No. 5 of 1960, states that Indonesia's agrarian law is adat law, or Indonesian customary law, as long as it does not conflict with national interests or other regulations set out in the BAL. However, adat is essentially a communal approach to regulating land rights, including land rights exercised by individuals with the consent of the community, and adat varies widely across the archipelago, sometimes even over short distances. Article 3 of the BAL gives weak recognition to continuing communal adat land rights, known as hak ulayat, but only so long as the rights —evidently still exist and only if the rights are —in line with the national and the state's interest based on the unity of the nation. In addition, adat land can only be registered, and hence certified, after having been rendered into one of seven private law land rights recognized in Article 16 of the BAL (Bakker 2008). Thus while adat is declared a primary source of land law, it is simultaneously submitted to all restrictions</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p><i>Legally required documents or records</i></p> <ul style="list-style-type: none"> Permit Letter from MoEF Annual report provided to the Bupati or Mayor. To reach legal status, an Indigenous community claim has to be successfully filed in accordance to Constitutional Court Verdict No 35 of Year 2012. 	<p>http://silk.dephut.go.id/index.php. [Accessed 13 September 2016].</p> <ul style="list-style-type: none"> Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee 	<p>contained in the BAL. This ambiguity remains problematic (Bakker 2008).</p> <p>Customary and indigenous rights are not distinct in Indonesia. Access to land and tenure for local communities living in forest concession areas is recognized as one mechanism to promote their economic development. Local people can also access smaller volume timber allocations through personal use cutting permits. Local communities may utilize forest resources to provide materials for shelter and cultural activities (CSG 2015). When local communities wish to manage such forest land, they may implement a community plantation forest, community forest and village forest. The Ministry of Forestry has issued a policy on community forestry through several schemes, namely Hutan Tanaman Rakyat (HTR), Hutan Kemasyarakatan (HKm), and Hutan Desa (HD) (CSG 2015).</p> <p>On 6 May 2013 Indonesia's Constitutional Court ruled that the customary forests of Indigenous Peoples should not be classed as falling within 'state forest areas', thereby paving the way for wider recognition of the rights of Indigenous Peoples in the Archipelago (European Parliament, 2013). The decision modified the 1999 Law by placing millions of hectares previously controlled by the government back into the hands of indigenous peoples. The ruling separated state and public forests and divided the latter into customary and individual forests, thereby removing customary forests from state control. According to the judge, the ruling will 'give</p>

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		<p>.pdf/b8eebb8e-8f86-4319-94db-b66befa9282c</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 	<p>indigenous peoples the right to use their land to fulfill their personal and family needs' (First Peoples Worldwide, 2013).</p> <p>Legal questions are ongoing about how effective the Constitutional Court's ruling will be in enabling indigenous communities to enforce their traditional rights over natural resources (Butt, 2014 in Overdevest et al, 2016), which the Ministry of Forestry has sought to exploit through a series of new regulations creating administrative barriers to the transfer of control over customary forest land.</p> <p>The overwhelming majority of forested land in Indonesia is classified as state forest and is therefore controlled by the state. Although the BAL recognizes the customary land rights – called hak ulayat – of traditional adat communities, including communities living in forests, the recognition applies only to communities that —still exist, and only if the interests of the community do not violate interests of the Indonesian state.</p> <p>According to Overdevest et al. (2016), at one point during the multi-stakeholder negotiations over the SVLK, it appeared as if the legality standard for timber harvested on state-owned lands would include an instruction to auditors 'to look at community documentation of traditional/customary rights, agreements between companies and communities, and documentation of how land conflicts have been</p> <p>Under the SVLK system, changes in the procedures for utilization and/or administration of timber from customary forests, to address implementation of Constitutional Court</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>0/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c</p> <ul style="list-style-type: none"> • EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachments/euflegt/briefing_note_indonesia%20en.pdf • European Parliament resolution on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Indonesia on forest law enforcement, governance and trade in timber products into the European Union (2013/2990(RSP)) - http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B7-2014-0187+0+DOC+XML+V0//EN <p>Non-Government Sources</p> <ul style="list-style-type: none"> • Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/featu 	<p>Decision (MK) No. 35/PUU-X/2012, shall be introduced after the adoption of related implementing legislation (VPA Agreement, Annex V).</p> <p>Description of Risk</p> <ul style="list-style-type: none"> • Lack of consultation has been identified as an issue in some FSC FM audits (NEPCon 2016). • Historically, according to the ARD, there were five core factors that motivate and sustain forest-related conflicts are: direct and indirect involvement of the Indonesian formal security and military forces in timber conflict; (2) fragmentation of natural resource management authority due to rapid devolution of political power from the central government to kabupaten authorities; (3) kabupatens' abuse of their newly evolved political powers; (4) selective and inconsistent law enforcement; and (5) ambiguous land and resource tenure (ARD 2004 in USAID 2014). • According to USAID (2010), conflicts are common between forest-dwelling adat communities and timber companies and others who want to harvest trees, and such conflicts often turn violent. The basis of all such conflicts is disagreement over the state's authority to harvest the trees or grant harvesting rights to corporations. • Since the SVLK was launched, civil society organizations have been closely tracking its implementation in order to

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		<p>re/corruption_perceptions_index_2017 [Accessed 13 March 2018].</p> <ul style="list-style-type: none"> • NEPCon, 2016. <i>Public Summary - FSC Controlled Wood Forest Management Certification First surveillance audit Report for: PT Pandu Maha Wana (Asia Pacific Consulting Solutions [APCS])</i>. Available online: http://fsc.force.com/servlet/servlet.FileDownload?file=00P3300000ghqJ8EAI, accessed 9 February • First Peoples Worldwide, 2013. <i>Indonesian court ruling gives land rights back to millions of indigenous people</i>. Available: https://www.culturalsurvival.org/news/indonesian-court-ruling-gives-land-rights-back-millions-indigenous-people, accessed 1 May 2017. • Butt, S. 2014. 'Traditional Land Rights Before the Indonesian Constitutional Court', <i>Law, Environment and Development Journal</i> 10(1): 59-73. • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational</i> 	<p>expose performance gaps and hold the Indonesian government and the EU accountable for meeting the VPA's stated goals. These organizations interview local communities to investigate the implementation and auditing of SVLK legality standards, while combining this information with analyses of forest cover changes using internationally sourced satellite data. NGOs such as Forest Watch Indonesia (FWI) and the Indonesia Centre for Environmental Law (ICEL) have submitted strategic requests to test the new public information laws, seeking in particular to obtain sensitive documents on the permit allocation process which are not formally covered by the VPA itself.</p> <ul style="list-style-type: none"> • The 2014 report <i>SVLK in the Eyes of the Monitor</i>, published by JPIK, was based on detailed monitoring of 31 companies which had applied for SVLK certification between 2011 and 2013. The report highlighted numerous shortcomings in the auditing process, including failure to consult local communities and follow up on non-compliances and complaints raised by the independent monitors, together with a host of other violations of the legality standards, including efforts to intimidate the IMs themselves. • The JPIK report built on the findings of the Human RightsWatch 2013 report <i>The Dark Side of Green Growth in Indonesia</i>, which also focused on violent conflicts arising from the government's failure to safeguard the rights of local communities in awarding concessions to

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p><i>Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana.</i> The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17.</p> <ul style="list-style-type: none"> Sapariah Satri, 2014. <i>Komnas HAM Mulai Bongkar Kejahatan terhadap Masyarakat Adat, Bagaimana Caranya?</i> Available: http://www.mongabay.co.id/2014/08/19/komnas-ham-mulai-bongkar-kejahatan-terhadap-masyarakat-adat-bagaimana-caranya/, accessed 1 May 17. Sapariah Satri, 2014. <i>Inkuiri Ungkap Banyak Pelanggaran HAM Dera Masyarakat Adat di Kawasan Hutan.</i> http://www.mongabay.co.id/2014/12/18/inkuiri-ungkap-banyak-pelanggaran-ham-dera-masyarakat-adat-di-kawasan-hutan/ 	<p>companies for the exploitation and conversion of forest land.</p> <ul style="list-style-type: none"> Responding to criticisms of the SVLK raised by Human RightsWatch (and the Anti-Forest Mafia Coalition, the European Parliament resolution calls upon the European Commission to ensure that these concerns are satisfactorily addressed before approving the Indonesian FLEGT licensing system. The resolution reaffirms that ‘in order to issue FLEGT licences’, the SVLK ‘must be operational with a view to achieving the goals of the VPA.’ (Overdevest et al, 2016). Setyowati et al. (2017) reports on the ongoing debates on the extent to which forest tenure clarification needs to be addressed in the timber legality assurance system, especially considering widespread overlapping tenure claims over forest areas. [...] Currently, the SVLK standards merely require documentation showing clarity on the origin of the timber, permits for timber harvesting (if on state forests), proof of land ownership (if on privately owned forest), transport permits, and any other legal documentation required. Setyowati et al. (2017) also state that the ‘focus on official documentation of ownership, harvest, and transport rights is ill suited to address tenure-related corruption and conflicting resource rights. Furthermore, the Indonesian stakeholders interviewed did not view SVLK certification as a promising tool to address these issues in the future either, belying predictions that legality verification is likely to “ratchet up” forest standards

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>dera-masyarakat-adat-di-kawasan-hutan/, accessed 1 May 2017.</p> <ul style="list-style-type: none"> • Republika, 2014. Tanah Adat yang Terampas. http://www.rimbawan.com/images/stories/Kumpulan_Berita/2014/Oktober/I/4%20%20oktober_republika_tanah%20adat.pdf, accessed 1 May 17. • Kompas, 2014. <i>Dua Hutan Adat Ditetapkan</i>. http://www.rimbawan.com/images/stories/Kumpulan_Berita/2014/nopember/I/5%20nop_kompas-dua.pdf, accessed 1 May 17. • USAID (2010). <i>USAID Country Profile - Property Rights & Resource Governance – Indonesia</i>. Available at http://www.usaidlandtenure.net/sites/default/files/country-profiles/full-reports/USAID_Land_Tenure_Indonesia_Profile_0.pdf [Accessed 14 September 2016]. • ARD Inc. 2004. Growing conflict and unrest in Indonesian forests. Burlington: ARD, Inc. 	<p>(Cashore and Stone 2012) in ways that enhance community rights (Bartley 2014) or contribute to the formalization of local rights as advocated by Obidzinski and Kusters (2015).</p> <ul style="list-style-type: none"> • A press release by JPIK in March 2018 (Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management), stated that “during monitoring developed between 2014-2017, several weaknesses in SVLK practice were found, especially in supervision and law enforcement. [...] Almost 50% or 11,2 million hectares of land in North Sumatera, East Kalimantan, and North Maluku were controlled by permit holders corporates (Logging, timber, palm oil, and mining), Only 4% or 812.000 hectare of land were allocated for people in many forms of social forestry (Community Forestry, People’s Plantation Forest, Partnership Forestry, Forest Village, and customary Forest). “Beside as direct cause of deforestation, inequality of land tenure in the three provinces also impacted on social conflict happened between the company and the people.” Agung continued. Delima Silalahi, Coordinator of Advocacy and Studies Division KSPPM added, “Forest logging which also include incense plantation belongs to the people is still happening at concession area of PT. Toba Pulp Lestari

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		<p>http://pdf.usaid.gov/pdf_docs/Pnadd200.pdf (accessed 23 January 2017).</p> <ul style="list-style-type: none"> • Contreras-Hermosilla, Arnoldo, and Chip Fay. 2005. Strengthening forest management in Indonesia through land tenure reform: Issues and framework for action. http://www.rightsandresources.org/publication_details.php?publicationID=1338 (accessed 28 March 2010). • Landportal.info (undated). Landbook – Indonesia. https://landportal.info/book/countries/IDN/pdf/pdf. (accessed 23 January 17). • JPIK, 2014. <i>SVLK in the Eyes of the Monitor: Independent Monitoring and a Review of the Implementation of the Timber Legality Verification System, 2011-2013</i>, http://fwi.or.id/english/wp-content/uploads/2014/11/JPIK_SVLK-in-teh-Eye-of-the-Monitor.pdf, accessed 1 May 17. • Human Rights Watch, 2013. <i>The Dark Side of Green Growth: Human Rights Impacts of Weak Governance in</i> 	<p>(TPL) at Pollung Sub-District, Humbang Hasundutan District. All this time, concession area of TPL overlapped with customary territories of the indigenous people. Despite being rejected by the indigenous people in the area, the company still tried to enter their customary land”.</p> <p>Similar matter also stated by Fathur Roziqin, Executive Director of Walhi in East Kalimantan, “Tenurial conflicts between Lebak Cilong villagers and PT. ITCI Hutani Manunggal (IHM) happened after IHM claimed their right to manage the land which had been managed by the people after getting concession permit from Ministry of Environment and Forestry, whereas the land had been managed by the people from generation to generation”.</p> <p>[...]</p> <p>JPIK monitoring resulted in 54 permits holder with SVLK certificates (PHPL and VLK) still found issues about boundary conflict, low basic rights recognition of the people, and weak forest protection efforts to the holder of IUPHHK-HA and HT.”</p> <p>Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p><i>Indonesia's Forestry Sector</i>, July, https://www.hrw.org/report/2013/07/15/dark-side-green-growth/human-rights-impacts-weak-governance-indonesias-forestry, accessed 1 May 17</p> <ul style="list-style-type: none"> Abidah Setyowati & Constance L. McDermott (2017) Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade, <i>Society & Natural Resources</i>, 30:6, 750-764, DOI: 10.1080/08941920.2016.1239295. Christine Overdevest & Jonathan Zeitlin, 2016. Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. 	<p>category), indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate, for example, to: conflict with local communities and social irregularities, among others”.</p> <ul style="list-style-type: none"> It is important to highlight the concerns raised by Bartley (2014) and EU-Indonesia (2014) (cited by Christine Overdevest & Jonathan Zeitlin, 2016, which can also be found above in the <i>Overview of the forest sector in Indonesia</i> section of this category): “One longstanding point of contention concerns the status of indigenous peoples’ rights to their traditional lands. The dispute goes back to a 1999 law,²¹ At one point during the multi-stakeholder negotiations over the SVLK, it appeared as if the legality standard for timber harvested on state-owned lands would include an instruction to auditors ‘to look at community documentation of traditional/customary rights, agreements between companies and communities, and documentation of how land conflicts have been resolved’. But these criteria were deleted from the final version included in the VPA, though NGOs were hopeful that these issues would be addressed to some extent in the

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> JPIK, March 2018. Deforestation and Social Conflict Keep Happening, Indonesian Government has to Strengthen Sustainability System of Forest Management. News published in JPIK website. Available online at: http://jpik.or.id/deforestation-social-conflict-keep-happening-indonesian-government-strengthen-sustainability-system-forest-management/, accessed on 16 May 2018. SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. 	<p>environmental and social impact assessment required by law and included in the legality”, and also the concerns raised by Setyowati et al. (2017) in relation to the same topic, mentioned above.</p> <p>In this context, it is relevant to mention that the assessment of this indicator focuses on legislation that regulates the rights of indigenous peoples related to forestry activities. Therefore, the endorsement of the SVLK cannot be considered as sufficient evidence for the assessment of this indicator.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
Trade and transport			
1.16 Classification of species, quantities, qualities	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> MoEF Regulation No. P41/Menhut-II/2014 Management of Timber Forest Product From Natural Forest - http://www.dephut.go.id/uploads/files/eaca23fd3ce906a848b5c0c72d5feaf6.pdf MoEF Regulation No. P42/Menhut-II/2014 Management of Timber Forest Product From Production Forest - http://www.dephut.go.id/uploads/files/39ccc39763369bc4fb6ac9df849b22c3.pdf <p>Legal authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF). P2LHP (the authorized inspector of production reports). 	<p>Government Sources</p> <ul style="list-style-type: none"> Timber Legality Information System <i>Sistem Informasi Legalitas Kayu (SILK)</i>, (2016) Online portal related to V-legal document publishing. [online] Sub Directorate of Information Timber Legality Verification, Directorate General of Forest Utilization. Available at: http://sil.k.dephut.go.id/index.php. [Accessed 13 September 2016]. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+PI 	<p>Overview of Legal Requirements</p> <p>Generally, in Indonesia, a permit holder marks all cross-cut logs; with the permanent physical marking of logs consisting of the original tree ID number and other marks enabling the log to be linked to the approved felling site. The permit holder scales and grades all logs and records the information on the logs in a log-list using an official Ministry of Forestry form. Based on the log-list, the permit holder prepares a periodic Log Production Report and a summary report using official Ministry of Forestry forms. The permit holder periodically submits the Log Production Report and summary to the district forestry official for approval, and the district forestry official carries out sample-based physical verification of the reports. The result of the physical verification is summarised in a log-verification-list using an official Ministry of Forestry form. Subject to a positive outcome of the physical verification, the official approves the Log Production Report. Once the logs have been verified by the official they must be stacked separately from any non-verified logs. The Log Production Report is used to calculate the required payment of the Forest Resources Fee and to the Reforestation Fund (as applicable).</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. GANISPHPL-PKB is the technician who has the qualification (trained by government authorities) to measure roundwood and specify quality and related requirements. <p>Legally required documents or records</p> <ul style="list-style-type: none"> Production report approved by the P2LHP after the company has paid the PSDH-DR. A company's GANISPHPL-PKB expert has to complete a production report with information about the type and volume of produced timber, according to allowed standard. This report will then be checked by P2LHP (the authorized inspector of 	<p>an+on+the+advancement+of+VPA+imple mentation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+ID+N+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - 	<p>The below requirements apply to specific forest types:</p> <p>FOR TIMBER FROM STATE-OWNED FORESTS (covers Company managed Concessions, Forests Harvested by a State Company, Community or privately managed forests and Timber utilisation rights), the following log-Landing Site legality verification activities are carried out:</p> <ol style="list-style-type: none"> 1. Cross cutting (where necessary) and marking of logs to ensure consistency with the Log Production Report – carried out by the permit holder. Marking consists of the original tree ID number and other marks enabling the log to be linked to the approved felling site. Not applicable for plantation forest concessions for pulp or chip purposes. 2. Scaling (measurement) and grading of logs by the permit holder. The permit holder records the information on the logs in a log-list using an official Ministry of Forestry Form. Grading is not applied for plantation forest concessions (for pulp or chip purposes). 3. Preparation of a log-list by the permit holder. The permit holder uploads the log-list data in the national online tracking system. Unique barcodes issued via the online tracking system must be tagged on the corresponding logs and strains and labelled in the related transport document (only applied for natural forest concessions).

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	<p>production reports). The P2LHP will give final approval of the production report after the company has paid the PSDH-DR.</p>	<p>http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0</p> <ul style="list-style-type: none"> Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment/euflegt/briefing_note_indonesia%20en.pdf European Parliament resolution on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Indonesia on forest law enforcement, governance and trade in timber products into the European Union (2013/2990(RSP)) - 	<ol style="list-style-type: none"> Submission of Proposed Log Production Report by the permit holder; The permit holder periodically submits the Log Production Reports and the related summaries to the Wasganis for approval using official Ministry of Forestry Forms. Approval of the Log Production Report by the Wasganis. <ol style="list-style-type: none"> The Wasganis carries out sample-based physical verification of the reports. The result of the physical verification is summarised in a log-verification-list using an official Ministry of Forestry Form; Subject to a positive outcome of the sample-based physical verification, the Wasganis approves the Log Production Reports; In case of 48 hours are exceeded since the report submission, the designated technical company staff (Ganis) of the permit holder can self-approve and issue the Log Production Reports on its own responsibility (not applied for IPK); Once logs have been verified by the Wasganis, they must be stacked separately from any non-verified logs; The Log Production Report is used to calculate the required payment of the Forest Resources

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B7-2014-0187+0+DOC+XML+V0//EN</p> <p>Non-Government Sources</p> <ul style="list-style-type: none"> Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. 	<p>Fee and to the Reforestation Fund (as applicable);</p> <p>f. The permit holder monthly submits the approved Log Production Reports and the related summaries to the district forestry office.</p> <p>6. Data reconciliation</p> <p>a. For natural forest concessions or ecosystem restoration concessions or community forests concessions or village forest concessions or IPK - The district forestry official checks the number of logs, the tags and the total cumulative volume of logs extracted and declared in the Log Production Report against the quota approved in the Annual Work Plan. Tags are not applied for IPK.</p> <p>b. For industrial plantation forest concessions or Perum Perhutani or community forest plantation concessions or utilization of timber from reforestation area concessions - The district forestry official checks the total cumulative volume of logs extracted and declared in the Log Production Report against the approved quota in the Annual Work Plan.</p> <p>c. The Log Production Reports are also checked by CABs during initial and surveillance audits.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> JPIK, 2014. <i>SVLK in the Eyes of the Monitor: Independent Monitoring and a Review of the Implementation of the Timber Legality Verification System</i>, 2011-2013, http://fwi.or.id/english/wp-content/uploads/2014/11/JPIK_SVLK-in-teh-Eye-of-the-Monitor.pdf, accessed 1 May 17. Human Rights Watch, 2013. <i>The Dark Side of Green Growth: Human Rights Impacts of Weak Governance in Indonesia's Forestry Sector</i>, July, https://www.hrw.org/report/2013/07/15/dark-side-green-growth/human-rights-impacts-weak-governance-indonesias-forestry, accessed 1 May 17 Julie Walters for the Australian Institute of Criminology, 2010. <i>Trends & issues in crime and criminal justice - Following the proceeds of illegal logging in Indonesia</i>. http://www.aic.gov.au/media_library/publications/tandi_pdf/tandi391.pdf, accessed 1 May 17. JPIK, 2018. 7 Years Monitoring: Timber Processing Industries in East Java. The 	<p>d. CABs also organize field inspections on an ad-hoc basis when needed as described in the TLAS Guidelines.</p> <p>e. In case of any inconsistencies detected, the district forestry official informs the CAB in charge of verifying the compliance of the operator, and vice-versa.</p> <p>FOR PRIVATELY OWNED FORESTS/LANDS</p> <p>Felling/Log-Landing Site legality verification activities</p> <p><i>General steps:</i></p> <ol style="list-style-type: none"> 1. Recognition of the property right; 2. Where necessary, cross-cutting; 3. Scaling (measurement); 4. Preparation of a log-list; 5. Invoicing by the district forestry office and payment of the invoiced amount by the owner of the Forest Resources Fee and/or to the Reforestation Fund; 6. Issuance or preparation of the transport document. 7. Issuance or preparation of the Supplier's Declaration of Conformity (SDoC), unless the operator is engaged into SVLK certification.; <p><i>In the case of logs harvested from trees present on a site before the granting of the land title:</i></p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>Monitor, Newsletter 9th Edition. Independent Forest Monitoring Network (JPIK). Available online at: http://jpik.or.id/info/wp-content/uploads/2018/Newsletter/Newsletter%209%20edition%20[EN].pdf, accessed on 16 May 2018.</p> <ul style="list-style-type: none"> SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. 	<ol style="list-style-type: none"> 1. The owner submits a log-list and a request to settle the Forest Resources Fee, Reforestation Fund and stumpage fee payment to the district forestry official; 2. The official conducts document checks and physical verification of the logs (dimensions, species identification, and number of logs); 3. Subject to a positive outcome of the document checks and physical verification, the district forestry official issues a Forest Resources Fee and Reforestation Fund Invoice for settlement by the owner; 4. The landowner submits the receipt for payment of the Forest Resources Fee and to the Reforestation Fund to the district forestry official, together with a request for issuance of a Log Transport Document; 5. The district forestry official conducts document checks and physical verification of the logs (dimensions, species identification, and number of logs); 6. Based on the above, the district forestry official issues the Log Transport Document <p><i>In the case of logs harvested from trees established after granting of the land title:</i></p> <ol style="list-style-type: none"> 1. For Species listed in Article 5(1) of the Regulation:

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<ol style="list-style-type: none"> a. The owner marks the logs and identifies the species; b. The owner prepares a log-list; c. Based on the above, the owner prepares an invoice following the format provided by the Ministry of Forestry, which also serves as the transport document. <ol style="list-style-type: none"> 2. Other species not listed in Article 5(1) of the Regulation: <ol style="list-style-type: none"> a. The owner marks the logs and identifies the species; b. The owner prepares a log-list; c. The owner submits the log-list and a request for issuance of a Log Transport Document to the head of village or appointed official 3. The head of village or appointed official conducts document checks and physical verification of the logs (species identification, number of logs, marks/number on each log, location of harvest); 4. Based on the above, the head of village or appointed official issues the Log Transport Document following the format provided by the Ministry of Forestry.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p><i>For all timber harvested from planted trees, if not SVLK certified, the owner issues an SDoC using the format provided by the Ministry of Forestry.</i></p> <ol style="list-style-type: none"> 1. Issuance or preparation of the transport document. 2. Issuance or preparation of the Supplier's Declaration of Conformity (SDoC), unless the operator is engaged into SVLK certification. 3. Data reconciliation: The head of village or an official appointed by the district forestry official, or the district forestry official (in case of timber from naturally grown trees) compares the volume of harvested logs with the log-list. In case the operator engaged into SVLK certification, the CAB also checks the consistency between the volume of harvested logs with the log-list during initial and surveillance audits. The CAB also organizes field inspections on an ad-hoc basis when needed. In case of any inconsistencies detected, the head of village or appointed official or the district forestry official (in case of timber from naturally grown trees) informs the CAB in charge of verifying the operator's compliance and vice-versa.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>Description of Risk</p> <ul style="list-style-type: none"> Historically, reports of incorrect classification used to avoid paying royalties; e.g. by classifying veneer logs as firewood were common. The risk was also present for many types of round log. There are opportunities to missclassify logs (for example by log ID, species, or dimension) to avoid paying royalties. For example, with group species classification (meranti, fancy, and MTH) there is a greater opportunity to exchange group species to reduce or even avoid paying royalties. Consistent issues with bribery and corruption, specifically associated with transportation documents have also been reported (Walters, 2010). The classification of timber is verified as part of the SVLK certification process. SVLK certification is mandatory for any operator in the forest sector, and SVLK license (V-Legal document/FLEGT License) mandatory for all exports. Timber from forest concessions that are not certified themselves under the SVLK system for forest certification still become part of SVLK supply chains through the SDoC system described above. This means that all timber grown in Indonesia becomes part of an SVLK certified supply chain. The SVLK legality certificate ensures that all legal requirements associated with the relevant permit type (legality grid) has been verified as met

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>by a professional auditor. However, a recent article of JPIK (7 years monitoring: Timber Processing Industries in East Java) in the 9th Edition of the Newsletter The Monitor (March, 2018), shows that among the violations of raw material legality, export declarations falsification and timber size/measurements that do not conform to sizes for Indian Rosewood (<i>Dalbergia latifolia</i>) export to China in 2014 in East Java Province have been found.</p> <p>Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), indicate that “despite comprehensive procedures in place to ensure the robust issuance of V-Legal Documents, this Periodic Evaluation found indications of problems associated particularly with the export of furniture and other household utility items. Lesser extent problems were also detected on other export products. As of September 2017, the LIU has received queries from FLEGT competent authorities of the EU Member States seeking clarifications on:</p> <ul style="list-style-type: none"> - Inconsistences in product quantities between V-Legal Documents and invoices and packing lists.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<ul style="list-style-type: none"> - Appearance variations in the V-Legal Documents (paper quality, paper colour, logo, signature attributes) in part related to decentralised printing practices. - Inconsistencies in HS codes between export and import declarations. <p>The LIU is currently implementing an action plan to address the identified problems. The action plan covers: (i) exploring feasible means to minimise the practice of making changes to export documents after V-Legal Documents/FLEGT licences have been issued; (ii) harmonising the use of HS codes; (iii) providing LAs with additional instructions and guidance for appropriate issuance of V-Legal Documents/FLEGT licences; and iv) improving the communication between the LIU and competent authorities on the identified problems.</p> <p>In order to improve the exchange of information between the LIU and the competent authorities, the LIU is developing a standard query/response form that is expected to make communication on V-Legal Documents/ FLEGT licences more efficient. The LIU also plans to host visitors from competent authorities to solve these issues through direct communication”.</p> <p>Even though, certain measures are being taken to improve the issues explained above in relation to this indicator, there is limited data to assess the outcomes of the implementation</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>of these measures. Based on this factor, precautionary approach has been applied for this indicator, thus specified risk is considered for all timber sources.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>
1.17 Trade and transport	<p>Applicable Legislation</p> <p>For concessions within production forest zones:</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P41/2014 Regulation of the Minister for Forestry P42/2014 Inter-island transportation and trade <ul style="list-style-type: none"> Regulation of the Minister for Industry and Trade 68/2003 Joint Regulation of the Minister for Forestry, Minister for Transportation, and 	<p>Government Sources</p> <ul style="list-style-type: none"> Timber Legality Information System <i>Sistem Informasi Legalitas Kayu (SILK)</i>, (2016) Online portal related to V-legal document publishing. [online] Sub Directorate of Information Timber Legality Verification, Directorate General of Forest Utilization. Available at: http://silk.dephut.go.id/index.php. [Accessed 13 September 2016]. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest- 	<p>Overview of Legal Requirements</p> <p>All consignments in a supply chain must be accompanied by relevant transport documents indicating whether the material is covered by a valid SVLK certificate or declared legal by use of Suppliers' Declaration of Conformity (SDoC) or originates from impounded sources.</p> <p>The owner or custodian of any consignment of timber or timber products at each point in a supply chain must record whether that consignment is SVLK certified, declared legal by use of Suppliers' Declaration of Conformity, or from an impounded source.</p> <p>If a consignment includes any impounded timber, the owner or custodian of that consignment must apply an effective system to segregate timber or timber products from verified</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Minister for Industry and Trade 22/2003</p> <ul style="list-style-type: none"> V-Legal marking requirements: <ul style="list-style-type: none"> Regulation of the Minister for Forestry P43/2014 <p>For community plantation forests and community forests within Production Forest Zones:</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P41/2014 Regulation of the Minister for Forestry P42/2014 <p>For Privately-owned forests:</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P30/2012 Regulation of the Minister for Forestry P43/2014 <p>For timber utilisation rights within non-forest zones or from convertible production forest</p> <ul style="list-style-type: none"> Regulation of the Minister for Forestry P41/2014 	<p>policies/illegal-logging/indonesia-country-specific-guideline.pdf</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66befa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - 	<p>legal sources, from impounded timber or timber products, and maintain records that distinguish between these sources.</p> <p>Operators in the supply chain are required to keep complete records on received, stored, processed and delivered timber and timber products. These records must be sufficient to enable subsequent reconciliation of quantitative data between and within nodes of the supply chain. Such data shall be made available for provincial and district forestry officials to carry out reconciliation.</p> <p>For TIMBER FROM STATE-OWNED FORESTS (covers Company managed Concessions, Forests Harvested by a State Company, Community or privately managed forests and Timber utilisation rights), the following Log-Yard legality verification activities are carried out:</p> <p>Logs are transported from the log-landing site to log yards and then either directly transported to a processing mill, to an intermediate log-yard or to a registered timber depot.</p> <ul style="list-style-type: none"> Where the Log Production Report has not yet been approved at the Log-Landing Site: <ul style="list-style-type: none"> Preparation of a log- list by the permit holder; Submission of Proposed Log Production Report by the permit holder;

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister for Forestry P43/2014 <p>See also laws on VPA and SVLK in 1.1.</p> <p>Legal authority</p> <ul style="list-style-type: none"> Minister and Ministry of Environment and Forestry (MoEF). The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. GANISPHPL-NENHUT is the technician who has the qualification (trained by government authorities) to conduct the transportation of forest products. GANISPHPL-PKB is the technician who has the qualification to measure 	<ul style="list-style-type: none"> http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment 	<ul style="list-style-type: none"> Approval of the Log Production Report by the Wasganis; If using the national online log tracking system, the permit holder may submit the Log Production Reports and the related summary report to the Wasganis for approval; the Wasganis carries out sample-based physical verification of the reports, if not already approved at the log-landing site. The result of the field inspection is summarised in a log-verification-list using an official form established by the Ministry of Forestry; subject to a positive outcome of the field inspection, the official approves the reports; in case 48h is exceeded after the submission of the Log Production Reports and the related summary report, the Ganis self-approves the reports on its own responsibility (not applied for IPK); Invoicing by the district forest office and payment of relevant amount for the Forest Resources Fee and to the Reforestation Fund by the permit holder. <ul style="list-style-type: none"> Calculated based on the approved Log Production Reports; The permit holder submits a request to settle the relevant fees to the district forestry official in

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>roundwood and specify quality and related requirements.</p> <p>Legally required documents or records</p> <p>For concessions within production forest zones:</p> <ul style="list-style-type: none"> • Approved Timber Production Report documents • Valid transport documents and attachments accompany logs from the log yard to primary forest products industry or registered log trader, including via intermediate log yards • Timber administration marks/barcode (PUHH) on logs • The application of the timber administration marks/barcode. • Valid transport document • For Inter-island transportation and trade: <ul style="list-style-type: none"> ○ PKAPT documents ○ Registration documents which 	<p>s/euflegt/briefing_note_indonesia%20en.pdf</p> <ul style="list-style-type: none"> • European Parliament resolution on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Indonesia on forest law enforcement, governance and trade in timber products into the European Union (2013/2990(RSP)) - http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B7-2014-0187+0+DOC+XML+V0//EN <p>Non-Government Sources</p> <ul style="list-style-type: none"> • Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. • Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance</i> 	<p>charge of billing, based on the log-list, which is attached to the request;</p> <ul style="list-style-type: none"> ○ The district forestry official issues an invoice or invoices for settlement by the permit holder; ○ In case 48 hours are exceeded after the submission of the request, the permit holder can issue the related invoice or invoices engaging its own responsibility; ○ The permit holder pays the amount set out in the Forest Resources Fee and/or Reforestation Fund Invoice(s) and/ or stumpage value and the district forestry official issues a receipt or receipts for this payment. ○ Stumpage value only applied for HTHR or IPK; <ul style="list-style-type: none"> • Issuance a Log Transport Document by the Ganis, to which is annexed a log-list. <ul style="list-style-type: none"> ○ The permit holder submits a request for the issuance of Log Transportation Documents, accompanied by the payment receipt, log-list, and Log Balance-Sheet Report; ○ The Ganis issues the Log Transport Documents to accompany the log-list; • Preparation of a Log Balance-Sheet Report by the permit holder.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>show the identity of the vessel and valid permit.</p> <ul style="list-style-type: none"> V-Legal marking is applied accordingly <p>For community plantation forests and community forests within Production Forest Zones:</p> <ul style="list-style-type: none"> Approved Timber Production Report documents Legal transport documents and relevant attachments from the Log Yard to the Intermediate Log Yard and from Intermediate Log Yard to primary industry and/or registered log trader. Timber administration marks/barcode (PUHH) on logs. Permit holder applies timber marking consistently. Log Transport Document to which is attached a log list document. 	<p>and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17.</p> <ul style="list-style-type: none"> JPIK, 2014. <i>SVLK in the Eyes of the Monitor: Independent Monitoring and a Review of the Implementation of the Timber Legality Verification System</i>, 2011-2013, http://fwi.or.id/english/wp-content/uploads/2014/11/JPIK_SVLK-in-teh-Eye-of-the-Monitor.pdf, accessed 1 May 17. Human Rights Watch, 2013. <i>The Dark Side of Green Growth: Human Rights Impacts of Weak Governance in Indonesia's Forestry Sector</i>, July, https://www.hrw.org/report/2013/07/15/dark-side-green-growth/human-rights-impacts-weak-governance-indonesias-forestry, accessed 1 May 17 	<ul style="list-style-type: none"> The permit holder prepares/updates the Log Balance-Sheet Report to record the quantity of incoming, stored and outgoing logs at the log-yard. The permit holder monthly submits the Log Balance-Sheet Report to the district forestry office. Data reconciliation <ul style="list-style-type: none"> The district forestry official checks the Log Balance-Sheet Report comparing inflows, outflows and storage of logs at the log-yard, based on Log Production Reports and relevant Log Transport Documents. When needed, the district forestry official also carries out field inspections to assess the consistency between stocked logs, the balance-sheet report and relevant transport documents. The Log Balance-Sheet Report is also checked by CABs during initial and surveillance audits. CABs also organize field inspections on an ad-hoc basis when needed as described in the TLAS Guidelines. In case of any inconsistencies detected, the district forestry official informs the CAB in charge

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> V-Legal marking is applied accordingly <p>For Privately-owned forests:</p> <ul style="list-style-type: none"> Log Transport Document V-Legal marking is applied accordingly <p>For timber utilisation rights within non-forest zones or from convertible production forest:</p> <ul style="list-style-type: none"> Logs Transportation Invoice (FAKB) and log list for small diameter logs Log Legality Document (SKSKB) and log list for large diameter logs V-Legal marking is applied accordingly 	<p>Non-Government Sources</p> <ul style="list-style-type: none"> Julie Walters for the Australian Institute of Criminology, 2010. <i>Trends & issues in crime and criminal justice - Following the proceeds of illegal logging in Indonesia</i>. http://www.aic.gov.au/media_library/publications/tandi_pdf/tandi391.pdf, accessed 1 May 17. Abidah Setyowati & Constance L. McDermott (2017) Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade, <i>Society & Natural Resources</i>, 30:6, 750-764, DOI: 10.1080/08941920.2016.1239295 AURIGA (November 2017). SVLK Violation: The Anti Forest-Mafia Coalition Files a Report on 7 Sawmill Companies in Papua. Published in AURIGA website. Available online at: auriga.or.id/svbk-violation-the-anti-forest-mafia-coalition-files-a-report-on-7-sawmill-companies-in-papua/, accessed on 17 May 2018. JPIK, 2018. 7 Years Monitoring: Timber Processing Industries in East Java. The 	<p>of verifying the compliance of the operator, and vice-versa.</p> <p>For TIMBER FROM STATE-OWNED FORESTS (covers Company managed Concessions, Forests Harvested by a State Company, Community or privately managed forests and Timber utilisation rights), the following Intermediate Log-Yard legality verification activities are carried out:</p> <ul style="list-style-type: none"> Intermediate log-yards are used if logs are not transported from the concession area directly to the mill yard. Intermediate log-yards are used in particular for inter-island transportation of logs or if the transport mode is changed. The permit for establishment of an intermediate log-yard located in state forests is granted by the district forestry official based on a proposal submitted by the permit holder. An intermediate log-yard permit is valid for three years but can be extended following review and approval by the forestry official. The establishment of an intermediate log-yard located outside state forests does not require any specific permit and is determined by the permit holder. Termination of the validity of the Log Transport Document for timber from natural forests by a district forestry official.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>Monitor, Newsletter 9th Edition. Independent Forest Monitoring Network (JPIK). Available online at: http://jpik.or.id/info/wp-content/uploads/2018/Newsletter/Newsletter%209%20edition%20[EN].pdf, accessed on 16 May 2018.</p> <ul style="list-style-type: none"> • SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. 	<ul style="list-style-type: none"> ○ The Wasganis physically verifies the number, species, and dimensions of incoming logs by counting them (census) or on a sample basis if the number of logs exceeds 100; Subject to a positive outcome of the verification, the Wasganis terminates the validity of the Log Transport Document for the incoming logs and records the logs in the Log Balance-Sheet Report ○ Where 48 hours have passed after the Log Transport Document was submitted, this verification can be done by the Ganis. In addition, termination of the validity of the Log Transport Document can be done by the Ganis only in the case of: <ul style="list-style-type: none"> ▪ an operator using timber from natural forests declaring its production through the online log tracking system, or ▪ an operator using timber from plantation forests (only applied for plantation forest concessions for pulp or chip purposes); • Preparation of Log Balance-Sheet Report by the permit holder; • Preparation of log-list by the Ganis for the outgoing logs, this is linked to the previous Log Transport Documents

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<ul style="list-style-type: none"> • The Ganis completes the Log Transport Document following the format provided by the Ministry of Forestry. • The permit holder updates the Log Balance-Sheet Report, which records inflows, outflows and storage of logs at the intermediate log-yard, based on the relevant Log Transport Documents. The permit holder monthly submits the Log Balance-Sheet Report to the district forestry office. • Data reconciliation. <ul style="list-style-type: none"> ○ The district forestry official checks the Log Balance-Sheet report to assess the consistency between the logs transported from the log-yard and the logs entering the intermediate log-yard. ○ When needed, the district forestry official also carries out field inspections to assess the consistency between stocked logs, the balance-sheet report and relevant transport documents. ○ The Log Balance-Sheet report is also checked by CABs during initial and surveillance audits. ○ CABs also organize field inspections on an ad-hoc basis when needed as described in the TLAS Guidelines. <p>For PRIVATELY OWNED FORESTS/LANDS, the following activities (amongst others) occur at the felling/Log-Landing</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>Site that are relevant to transport: legality verification activities</p> <p><i>General steps:</i></p> <ul style="list-style-type: none"> • Issuance or preparation of the transport document. • Issuance or preparation of the Supplier's Declaration of Conformity (SDoC), unless the operator is engaged into SVLK certification.; <p><i>In the case of logs harvested from trees present on a site before the granting of the land title:</i></p> <ul style="list-style-type: none"> • The landowner submits the receipt for payment of the Forest Resources Fee and to the Reforestation Fund to the district forestry official, together with a request for issuance of a Log Transport Document; • The district forestry official conducts document checks and physical verification of the logs (dimensions, species identification, and number of logs); • Based on the above, the district forestry official issues the Log Transport Document <p><i>In the case of logs harvested from trees established after granting of the land title:</i></p> <ul style="list-style-type: none"> • For Species listed in Article 5(1) of the Regulation (such as Rubber, Sengon, and fruit trees):

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<ul style="list-style-type: none"> ○ The owner marks the logs and identifies the species; ○ The owner prepares a log-list; ○ Based on the above, the owner prepares an invoice following the format provided by the Ministry of Forestry, which also serves as the transport document. • for species listed in Article 5(1) of the Regulation, the owner prepares an invoice, following the format provided by the Ministry of Forestry which serves as the Transport document. <ul style="list-style-type: none"> ○ for other species the trained and appointed head of the village or appointed official issues the Transport document • Other species not listed in Article 5(1) of the Regulation (such as Teak, Mahogany, Pine),: <ul style="list-style-type: none"> ○ The owner marks the logs and identifies the species; ○ The owner prepares a log-list; ○ The owner submits the log-list and a request for issuance of a Log Transport Document to the head of village or appointed official • The head of village or appointed official conducts document checks and physical verification of the logs

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>(species identification, number of logs, marks/number on each log, location of harvest);</p> <ul style="list-style-type: none"> Based on the above, the head of village or appointed official issues the Log Transport Document following the format provided by the Ministry of Forestry. <p><i>For all timber harvested from planted trees, if not SVLK certified, the owner issues an SDoC using the format provided by the Ministry of Forestry.</i></p> <ul style="list-style-type: none"> Issuance or preparation of the transport document. Issuance or preparation of the Supplier's Declaration of Conformity (SDoC), unless the operator is engaged into SVLK certification. Data reconciliation: The head of village or an official appointed by the district forestry official, or the district forestry official (in case of timber from naturally grown trees) compares the volume of harvested logs with the log-list. In case the operator engaged into SVLK certification, the CAB also checks the consistency between the volume of harvested logs with the log-list during initial and surveillance audits. The CAB also organizes field inspections on an ad-hoc basis when needed. In case of any inconsistencies detected, the head of village or appointed official or the district forestry official (in case of timber from naturally grown trees)

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>informs the CAB in charge of verifying the operator's compliance and vice-versa.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> Historically, there has been reported risks of inaccurate transportation letters and invalid legalization documents, because bribes may be paid to the authorized person from the Ministry of Forestry and the Indonesian Customs agency. Bribes might be paid to speed up the process of obtaining these documents. According to Setyowati et al. (2017), much of [the] corruption comes from irregularities in the issuance of permits and associated documents for log transports (KPK 2014; Rasad and Febismanto 2015), involving the bribing of government officials. The signing of a VPA agreement with the European Union and the establishment of SVLK hence form part of the Indonesian government's efforts to curb corruption in the forest sector, and especially corruption embedded in the permitting systems (Obidzinski and Kusters 2015). Setyowati et al. (2017) also reports on a key informant working for an association of logging companies who suggested that corruption remains deeply entrenched in Indonesia's forest sector. Even when the company has obtained the permits and V-legal documents to transport

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>the logs legally, there is no guarantee that it will not be stopped by the oknum, the government officers who demand bribes, when the company transports the logs (2017, p 755).</p> <ul style="list-style-type: none"> • The transport of timber is verified as part of the SVLK certification process. SVLK certification is mandatory for any operator in the forest sector, and SVLK license (V-Legal document/FLEGT License) mandatory for all exports. Timber from forest concessions that are not certified themselves under the SVLK system for forest certification still become part of SVLK supply chains through the SDOC system described above. This means that all timber grown in Indonesia becomes part of an SVLK certified supply chain. The SVLK legality certificate ensures that all legal requirements associated with the relevant permit type (legality grid) has been verified as met by a professional auditor. However, a recent article of JPIK (7 years monitoring: Timber Processing Industries in East Java) in the 9th Edition of the Newsletter The Monitor (March, 2018), shows that among the violations of raw material legality, illegal processed timber laundering using Invoice of Processed Timber Transportation (FAKO) documents by Labora Sitoru's company in 2013, and Timber Legality Certificate (SLK) falsification in Jombang in 2014 because of lack of

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>raw material validation from receiving company, in East Java Province have been found.</p> <p>Also, according to the news published by AURIGA in November 2017 in their website (SVLK Violation: The Anti Forest-Mafia Coalition Files a Report on 7 Sawmill Companies in Papua), “the Anti Forest-Mafia Coalition filed a report on seven sawmill companies operating in the province of Papua for allegedly violating both the regulations of SVLK (Timber Legality Assurance System) and international timber trade. Despite having obtained timber legality certification (SLK), those companies were found illegally collecting processed wood from natural forest areas [...] In September and October 2017, the Anti Forest-Mafia Coalition undertook field monitoring in Papua Province and found indications of violations by companies located in Jayapura Regency. Trees were cut down in the forest of Sarmi Regency, then processed into wooden beams in the cutting area. After being processed, the wooden beams were transported via wooden rail from the cutting area to the connecting road between Jayapura and Sarmi. Timber was stacked on both sides of the road, and later picked up by trucks to be taken to sawmills owned by companies mentioned in the report.</p> <p>Besides direct observation, the Coalition also conducted a series of interviews that support its findings from the</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>field. Various sources ranging from the loggers, truck drivers and their conductors (<i>kernet</i>), as well as government officials in Sarimi Regency, were interviewed. The information from these sources strengthen the findings that the timber harvested and processed into wooden beams in Papua's natural forest was transferred to sawmills in Jayapura Regency, Papua Province. The sawmill companies record that the timber was harvested from community-owned forest areas (<i>kayu masyarakat</i>). From the sawmills, the timber is packed into containers and shipped from Jayapura Harbor. [...] The location of the logging occurred in HPH (selective logging concession) areas within the logged over area. Logging in these areas by other parties or even by the HPH company itself is prohibited without permit from RKT [...] The volume of timber, particularly merbau wood from the forest of Sarimi Regency, is quite significant. Field monitoring found that at least 50 trucks contains timber leaving Sarimi Regency every day, heading to Jayapura".</p> <ul style="list-style-type: none"> • The first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), did not raise concerns regarding non-compliances specific to trade and transport requirements.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<ul style="list-style-type: none"> Furthermore, it is important to highlight the concerns raised by JPIK (2014) and Setyowati & McDermott (2017) (detailed information is provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), that as part of the SVLK system, CABs are required to consider only the existence of a transport permit document, without examining the process of the issuance of the permit, which might have implications on detecting transport permits that have been issued through corruption. <p>In this context, it is relevant to mention that the assessment of this indicator focuses on the procedures for issuing trading and transport permits required for the transport of wood from forest operations. Therefore, the endorsement of the SVLK cannot be considered as sufficient evidence for the assessment of this indicator.</p> <p>Most of the evidences of non-compliance with trade and transport requirements are for certain areas of the country. But as indicated by Setyowati et al. (2017) there is a risk in the country that corruption and bribery happen in the issuance of trade and transport permits. Based on these factors, precautionary approach has been applied, thus this indicator is considered specified risk for all timber sources.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>
1.18 Offshore trading and transfer pricing	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Act No 36 Year 2008 on the 4th changes of Law No 7 year 1983 on Tax Income Article 18 Point 3 http://www.sjdih.depkeu.go.id/fullText/2008/36TAHUN2008UU.htm. Directorate General of Tax Regulation No 22/PJ/2013 on Guidelines For The Examination of a Taxpayer Who Has a Special Relationship - https://triyani.files.wordpress.com/2013/06/per-22pj2013-petunjuk-pemeriksaan-afiliasi.pdf <p>Legal authority Ministry of Finance.</p>	<p>Government Sources</p> <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/1018 	<p>Overview of Legal Requirements</p> <p>Indonesia has 'exchange of information' relationships with 110 jurisdictions through 69 DTCs, five TIEAs and one multilateral mechanism, Convention on Mutual Administrative Assistance in Tax Matters.</p> <p>In Indonesia, taxpayers are allowed to calculate, pay and report the amount of the tax on their own. For income tax purposes, the legislation dealing with transfer pricing is found in Article 18 of the 1983 Income Tax Law, as revised by the 1991, 1994 and 2000 Income Tax Laws and further by Income Tax Law No. 36/2008. As the tax system is based on self-assessment, the burden of proof lies with the taxpayer, not with the tax authorities (PWC p. 496). The OECD notes that "... notwithstanding that monitoring and enforcement of the obligation to submit a tax return covers all incoming tax returns, the overall compliance with this obligation is low" (OECD p. 8). According to PWC, "... so far, the tax authorities have not undertaken any audits specifically relating to</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Directorate General of Tax.</p> <p>Legally required documents or records</p> <p>Transfer pricing documentation to prove market price-based transactions.</p>	<p>0/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+IDN+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary 	<p>transfer pricing..." (PWC p. 498). According to Human Rights Watch: "In 2006 the Indonesian government lost over US\$2 billion from untaxed illegal logging (\$1.3 billion USD), artificially low forest royalties (\$563 million), and illegal transfer pricing (\$138 million)".</p> <p>The amount of the tax would change if a representative of the Directorate General of Tax (Fiskus) were to audit each company and check tax-related documentation.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> There is a risk in the self-assessment that Indonesia's Fiskus does not have access to the database of information or does not understand how to use this information in order to identify transfer pricing (Refer www.kemenkeu.go.id.) Regarding the 'exchange of information' agreements to which Indonesia is a party, the OECD notes that, during the period 1 January 2010 to 3 December 2012, "Indonesia received a total of 48 requests from 14 partner jurisdictions. Indonesia has provided a final response within 90 days in 15% of the cases, with another 20% processed in 180 days." Discussing the reasons for these delays, the OECD notes that "... the lack of staff at the Indonesian competent authority, combined with a lack of awareness at the level of local

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		<p>Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0</p> <ul style="list-style-type: none"> Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachments/euflegt/briefing_note_indonesia%20en.pdf <p>Non-Government Sources</p> <ul style="list-style-type: none"> PWC, 2016. <i>Indonesian Pocket Tax Book 2016</i>. Available online: https://www.pwc.com/au/asia-practice/assets/indonesia-pocket-tax- 	<p>tax offices ... are the main factors contributing to the delays" (OECD p. 9).</p> <ul style="list-style-type: none"> There is a widespread lack of government capacity to monitor transfer pricing, and a lack of enforcement allow for practices of transfer pricing, which results in lower taxes. According to Human Rights Watch (2009), the Indonesian government lost US\$2 billion in 2006 due to illegal logging, corruption and mismanagement. This amount included [...] losses from tax evasion by exporters practicing 'transfer pricing'. Reuters state that the issues with tax evasion are exacerbated by a shortage of employees in the Tax Department, (currently around 36,000 tax officials compared to the population of 255 million) exacerbated by difficulties in executing its powers, granted by the tax law, contributes to the weakening of the DGT. http://www.thejakartapost.com/news/2016/03/22/indonesia-a-real-tax-haven-nation.html Reuters also report that Indonesia intended to crack down on corporate tax avoidance via transfer pricing in 2015. According to the tax department, there was approximately 200 trillion rupiah (\$15.6 billion) in lost state income, mainly in the commodities sector. Sigit Priadi Pramudito, the country's director-general of taxes,

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>book-2016.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> • Gayatri Suroyo and Eveline Danubrata for Reuters, 2015. <i>Indonesia to crack down on corporate tax avoidance</i>. Available online: http://www.reuters.com/article/us-indonesia-tax-taxavoidance-idUSKBN0LS05320150224, accessed 7 February 2017. • Financial Times, 2016. <i>Indonesia to fall short on tax revenue targets</i>. Available online: https://www.ft.com/content/fe3c8016-2c34-11e5-8613-e7aedbb7bdb7, accessed 8 February 2017. • The Economist, 2016. <i>Making Crime Pay - Indonesia contemplates a handsome pay-off for tax dodgers</i>. Available online: http://www.economist.com/news/finance-and-economics/21696503-government-contemplates-handsome-pay-tax-dodgers-indonesia-weighs, accessed 8 February 2017. 	<p>said in an interview that many Indonesian companies, particularly in the coal, palm oil, cocoa and other commodities sectors, were avoiding corporate taxes by using transfer pricing.</p> <ul style="list-style-type: none"> • The Economist (2016) also reports on significant issues with transfer pricing and tax avoidance. They state that official estimate is that as much as \$900 billion in assets may have been sent abroad by Indonesians seeking to avoid taxation. Indonesia routinely has difficulty collecting the taxes it imposes; in 2015 only 82% of expected taxes were paid, and its ratio of tax revenue to Gross Domestic Product was near 10%. That ratio for most Southeast Asian nations is between 13% and 15% (Economist 2016, Library of Congress 2016). • Income and profit taxes are not included in the Legality Definition (annex V) of the Indonesia/EU Voluntary Partnership agreement. This means that payment of income tax is not verified as part of the SVLK certification process, transfer pricing requirements are similarly not verified via the SVLK certification process. <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> Library of Congress, 2016. <i>Indonesia: Tax Amnesty Proposed</i>. Available online: http://www.loc.gov/law/foreign-news/article/indonesia-tax-amnesty-proposed/, accessed 8 February 2017. Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1</i>. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. Environmental Investigation Agency (EIA), 2014: <i>Permitting Crime: How palm oil expansion drives illegal logging in Indonesia</i>. Available online: http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017. Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: http://eyesontheforest.or.id/attach/Anti%2 	consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>0Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FI NAL.pdf, accessed 7 February 2017.</p> <ul style="list-style-type: none"> Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. EFI EU FLEGT Facility, 2016. Q&A - <i>Indonesia-EU Voluntary Partnership Agreement</i>. Available online: 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>http://www.euflegt.efi.int/publications/indonesia-eu-voluntary-partnership-agreement, accessed 7 February 2017.</p> <ul style="list-style-type: none"> • Hukumonline, 2010. Trillions of losses from the State Forestry Sector. Available online: http://new.hukumonline.com/berita/baca/t4bdbadf3be1d0/kerugian-negara-dari-sektor-kehutanan-triliunan-, accessed 7 February 2017. • Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector</i>. Available online: http://www.hrw.org/reports/2009/12/01/wild-money, accessed 7 February 2017. • PriceWaterhouseCooper (2013). "International Transfer Pricing 2013/14 - Chapter 39 - Indonesia". [http://www.pwc.com/gx/en/international-transfer-pricing/assets/indonesia.pdf] • Exchange of Tax Information Portal: http://www.eoi-tax.org/jurisdictions/ID#default 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> • OECD Global Forum on Transparency and Exchange of Information for Tax Purposes (2014). "Peer Reviews: Indonesia. Phase 2: Implementation of the Standard in Practice. [http://www.eoi-tax.org/jurisdictions/ID#previous_7f025ae8288443e3b9021cfdee146d33]. • Deloitte (2014). "2014 Global Transfer Pricing Country Guide". [http://www2.deloitte.com/content/dam/Deloitte/global/Documents/Tax/dttl-tax-global-transfer-pricing-guide-2014.pdf]. • KPMG (2014). "KMPG Advisory Indonesia Transfer Pricing FAQ - Update February 2014". [http://www.kpmg.com/ID/en/IssuesAndInsights/ArticlesPublications/Documents/KAI_FAQ_Transfer%20Pricing_A5_4Mar2014_v2.pdf] • Human Rights Watch (2009). "Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector". 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>[http://www.hrw.org/reports/2009/12/01/wild-money].</p> <ul style="list-style-type: none"> • Arnoldo Contreras-Hermosilla, Richard Doornbosch and Michael Lodge (2007). "The Economics of Illegal Logging and Associated Trade - SG/SD/RT (2007)1/REV". Organisation for Economic Co-operation and Development. [http://www.oecd.org/sd-roundtable/papersandpublications/39348796.pdf]. • Luttrell, C., Obidzinski, K., Brockhaus, M., Muharrom, E., Petkova, E., Wardell, A., Halperin, J. CIFOR, 2011. <i>Lessons for REDD+ from measures to control illegal logging in Indonesia</i>. https://books.google.com.au/books?id=UmW7L6-IFxgC&pg=PA4&lpg=PA4&dq=transfer+pricing+income+tax+indonesia+illegal&source=bl&ots=PVFzI7WAZp&sig=hsukMHM130s4eIHZ5nbWxLLzGLg&hl=en&sa=X&ved=0ahUKEwimu-OX4c3TAhXCpJQKHWgEDmAQ6AEIMj 	

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		AC#v=onepage&q=transfer%20pricing%20income%20tax%20indonesia%20illegal&f=false , accessed 1 May 17.	
1.19 Custom regulations	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Minister of Finance Decree No 2751/KM.4/2014 on Pricing of Export Duties - http://peraturan.beacukai.go.id/index.html?page=detail/jenis/27/662/keputusan-menteri-keuangan/kmk-2751-km-4-2014/penetapan-harga-ekspor-untuk-penghitungan-bea-keluar.html Act No 17 year 2006 on Customs http://www.sjih.depkeu.go.id/fullText/2006/17Tahun2006UU.htm Forestry Minister's Regulation P.38/Menhut-II/2009 Regulation No 7/2004 on Trade. Surat Edaran No. SE.2/PPHH/NEIP/HPL.3/1/2017 tentang Penambahan Tujuan Negara Pengguna FLEGT) 	<p>Government Sources</p> <ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+imple 	<p>Overview of Legal Requirements</p> <p>The Indonesian export licence for legal timber products is known as the “V-Legal Document”. This is an export licence that provides evidence that the timber products exported meet the requirements of the Indonesian legality standard as set out in Annex II and were sourced from a supply chain with adequate controls against the inflow of timber from sources not verified as legal. The V-Legal Document is issued by the LVs who act as Licensing Authorities (LA) and will be used as a FLEGT licence for shipments to the Union once the parties have agreed to start the FLEGT licensing scheme (VPA 2015).</p> <p>The V-Legal Document/FLEGT licence is issued at the point at which the consignment is consolidated prior to export. The procedure is as follows (Extracted from Annex V of the VPA 2015):</p> <ul style="list-style-type: none"> The V-Legal Document/FLEGT licence is issued by the LA, which holds a contract with the exporter, for the consignment of timber products to be exported.

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation Director General Of Agro Industry Number : 27 / IA / KEP / 4 / 2013 Concerning Procedures on Giving Export Recommendation For Pulp and Paper Industry Products Using Non-Timber and Waste Paper as Raw Material - http://silk.dephut.go.id/app/Upload/hukum/20160523/2ece1aed2e0320f638a4b1717620f70d.pdf Minister of Trade Regulation of The Republic of Indonesia Number 25/M-DAG/PER/4/2016 Concerning Amendments of The Minister of Trade Regulation Number 89/M-DAG/PER/10/2015 On Export Provisions of Forest Industry Products - http://silk.dephut.go.id/app/Upload/hukum/20160514/eee71fae63b9c99fed95225a952f0fa4.pdf Ministerial Regulation of Trade Of Republic Of Indonesia Number 89/M-DAG/PER/10/2015 	<ul style="list-style-type: none"> mentation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+ID+N+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66befa9282c Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/196582/Annual+Report+Progress+Update+April+2015+May+2016+Implementing+the+Indonesia+EU+FLEGT+Voluntary+Partnership+Agreement.pdf/8f86-4319-94db-b66befa9282c 	<ul style="list-style-type: none"> The exporter's internal traceability system shall provide evidence on the legality of timber for export licensing. The previous stage of the supply chain shall be included in the exporter's internal traceability system. For a V-Legal Document/FLEGT licence to be issued, all suppliers in the exporter's supply chain that make up the consignment must have been covered by a valid legality or SFM certificate or a SDoC. To obtain a V-Legal Document/FLEGT licence, an operator must be a registered exporter (an ETPIK holder) who possesses a valid legality certificate. The ETPIK holder submits a letter of application to the LA and attaches the following documents to demonstrate that the timber raw materials in the product originate only from verified legal sources (SVLK certified or SDoC declared): <ul style="list-style-type: none"> A summary of the transport documents for all timber/raw materials received by the factory since the last audit (up to max 12 months); and Summaries of Timber/Raw Material Balance-Sheet Reports and Processed Timber Balance-Sheet Reports since the last audit (up to max 12 months). The LA then carries out the following verification steps:

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>On Eksport Provisions Of Industry Forestry Product - http://silk.dephut.go.id/app/Upload/hukum/20160419/7e70e21827dfa36b08220f0ba6a2a8b5.pdf</p> <ul style="list-style-type: none"> Trade Regulation No. 89/2015, confirms that the SVLK applies to furniture products, in line with the product scope of the VPA. JPIK. 2016. Loopholes in legality: How ministry of trade decree benefits shadowy timber exporters and undermines legal reforms. http://jpik.or.id (accessed 1 May 17). Abidah Setyowati & Constance L. McDermott (2017) Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade, Society & Natural Resources, 30:6, 750-764, DOI: 10.1080/08941920.2016.1239295. 	<p>0/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0</p> <ul style="list-style-type: none"> Annual report May 2014-April 2015: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachments/euflegt/briefing_note_indonesia%20en.pdf <p>Non-Government Sources</p> <ul style="list-style-type: none"> Abidah Setyowati & Constance L. McDermott (2017) Commodifying Legality? Who and What Counts as Legal in the Indonesian Wood Trade, Society & Natural Resources, 30:6, 750- 	<ul style="list-style-type: none"> Verification of the validity of the operator's legality certificate and ETPIK registration, using LA's own database as well as SILK. Data reconciliation based on the summaries of the transport documents, Timber/Raw Material Balance-Sheet Report, and Processed Timber Balance-Sheet Report; Control of the recovery rate(s) for each type of product (primary industry only), based on analysis of the Timber/ Raw Material Balance-Sheet Report and Processed Timber Balance-Sheet Report. Where necessary, a field visit may be conducted by the LA after data reconciliation so as to ensure consistency consignments sample checking and inspecting the factory operation or timber depot, and record-keeping. <ul style="list-style-type: none"> Result of verification: <ul style="list-style-type: none"> If an ETPIK holder complies with legality and supply chain requirements, the LA issues a V-Legal Document/ FLEGT licence in the format presented in Annex IV; An ETPIK holder meeting the above-mentioned requirements may use conformity marking (V-Legal Label) on the products and/or packaging.

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	<p>Legal authority</p> <p>Minister of Finance</p> <p>Legally required documents or records</p> <ul style="list-style-type: none"> • Export license • Export Declaration • Customs clearance documents • V-Legal certificate for all products exported under the codes listed in Annex 1 of the VPA. 	<p>764, DOI: 10.1080/08941920.2016.1239295</p> <ul style="list-style-type: none"> • Forest Trends, 2015. <i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1</i>. Available at http://www.illegal-logging.info/sites/files/chlogging/doc_4843.pdf [Accessed 13 September 2016]. • Environmental Investigation Agency (EIA), 2014: <i>Permitting Crime: How palm oil expansion drives illegal logging in Indonesia</i>. Available online: http://eia-international.org/wp-content/uploads/Permitting-Crime.pdf, accessed 7 February 2017. • Anti Forest-Mafia Coalition, 2014. <i>SVLK flawed: An independent evaluation of Indonesia's timber legality certification system</i>. Available online: http://eyesontheforest.or.id/attach/Anti%20Forest%20Mafia%20Coalition%20%2818Mar14%29%20SVLK%20Flawed%20FINAL.pdf, accessed 7 February 2017. 	<p>National Guidelines on the use of conformity marking are described in the TLAS Guidelines.</p> <ul style="list-style-type: none"> ○ If an ETPIK holder does not comply with the legality and supply chain requirements, LA will issue a non-compliance report instead of V-Legal Document/FLEGT licence. The non-compliance report halts the movement of the related timber and/or timber products. 15.7.2015 L 187/71 Official Journal of the European Union EN ○ In case a shipment changes configuration before leaving the port of export (e.g. change of destination, volume, species as defined in the TLAS Guidelines), the exporter must request the Licensing Authority to cancel the initial export license and issue new licence(s). The Licensing Authority must inform LIU of all cancelled export licences. ○ In case of misuse or falsification of legality certificates and/or export licences by an operator, a sanction shall be imposed by the Ministry of Forestry as defined in applicable regulations. • The LA shall: <ul style="list-style-type: none"> ○ Forward a copy of a V-Legal Document/FLEGT licence or non-compliance report to the Ministry

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> Christine Overdevest & Jonathan Zeitlin, 2016. <i>Experimentalism in Transnational Forest Governance: Implementing EU Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreements in Indonesia and Ghana</i>. The Amsterdam Centre for Contemporary European Studies, SSRN Research Paper 2016/02. Available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2802659, accessed 24 January 17. Transparency International (2018). Corruption Perception Index 2017 - Indonesia. Available at https://www.transparency.org/news/feature/corruption_perceptions_index_2017 [Accessed 13 March 2018]. EFI EU FLEGT Facility, 2016. Q&A - <i>Indonesia-EU Voluntary Partnership Agreement</i>. Available online: http://www.euflegt.efi.int/publications/indonesia-eu-voluntary-partnership-agreement, accessed 7 February 2017. 	<p>of Forestry within twenty-four hours from the time the decision was taken;</p> <ul style="list-style-type: none"> Submit a comprehensive report and a public summary report outlining the number of V-Legal Documents/ FLEGT licence issued as well as the number and type of non-compliances detected to the Ministry of Forestry once every three months with copies to the Ministry of Trade and Ministry of Industry. <p>Companies are required to have a permit letter from Indonesian Customs to export of goods. Exports from Indonesia require a V-Legal Document for almost all timber products. Such a document can only be issued for a registered exporter holding SVLK certification (there is however a transition period for the furniture industry). The process to issue a V-Legal Document is consignment-based and requires checks on</p> <ul style="list-style-type: none"> validity of the SVLK certificate, monthly production reports, recovery rates (if primary industry) and, possibly, field visits by the licensing authority. The process is the same for FLEGT licensing. <p>There are seven authorised copies of the V-Legal Document. Importers of Indonesian timber will be provided with the third</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<ul style="list-style-type: none"> Hukumonline, 2010. Trillions of losses from the State Forestry Sector. Available online: http://new.hukumonline.com/berita/baca/t4bdbadf3be1d0/kerugian-negara-dari-sektor-kehutanan-triliunan-, accessed 7 February 2017. Human Rights Watch, 2009. <i>Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector</i>. Available online: http://www.hrw.org/reports/2009/12/01/wild-money, accessed 7 February 2017. Human Rights Watch (2009). "Wild Money - The Human Rights Consequences of Illegal Logging and Corruption in Indonesia's Forestry Sector". [http://www.hrw.org/reports/2009/12/01/wild-money]. Arnoldo Contreras-Hermosilla, Richard Doornbosch and Michael Lodge (2007). "The Economics of Illegal Logging and Associated Trade - SG/SD/RT 	<p>copy of the V-Legal Document (indicated by the number 3 on the left-hand side of the document). In addition, each V-Legal Document has a unique number and barcode.</p> <p>Those entities exporting products covered under the SVLK are required to present a valid V-legal document. Failure to do so could result in the rejection of export licensing and prosecution (Ministry of Trade Decree, Art. 21). It is these V-legal licenses, that have been recognised by the EU as FLEGT licenses, signifying that all licensed Indonesian timber can be legally imported into the EU. In other words, the potential market incentives for SVLK verification lie solely in the issuance of V-legal documents, and associated V-legal label, for export (Setyowati et al., 2017).</p> <p>Description of Risk</p> <ul style="list-style-type: none"> According to experts consulted in the preparation of this report, there is a risk that a company is exporting without the required permit and is exporting in violation of export requirements. While Indonesia's Customs has the right to check and verify goods that pass Indonesia's borders, there is a lack of enforcement. There is a risk that the parties involved are corrupt. There are regional and industry sector differentiations to be made. Law enforcement in the far east of Indonesia (Papua) for example is weak, but the same can be said

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>(2007)1/REV". Organisation for Economic Co-operation and Development. [http://www.oecd.org/sd-roundtable/papersandpublications/39348796.pdf].</p> <ul style="list-style-type: none"> Luttrell, C., Obidzinski, K., Brockhaus, M., Muharrom, E., Petkova, E., Wardell, A., Halperin, J. CIFOR, 2011. <i>Lessons for REDD+ from measures to control illegal logging in Indonesia</i>. https://books.google.com.au/books?id=UmW7L6-IFxgC&pg=PA4&lpg=PA4&dq=transfer+pricing+income+tax+indonesia+illegal&source=bl&ots=PVFzI7WAZp&sig=hsukMHM130s4eIHZ5nbWxLLzGLg&hl=en&sa=X&ved=0ahUKEwimu-OX4c3TAhXCpJQKHWgEDmAQ6AEIMjAC#v=onepage&q=transfer%20pricing%20income%20tax%20indonesia%20illegal&f=false, accessed 1 May 17. JPIK, 2018. 7 Years Monitoring: Timber Processing Industries in East Java. The Monitor, Newsletter 9th Edition. 	<p>for provinces where illegal conversion of forests has taken place for palm oil expansion.</p> <ul style="list-style-type: none"> The export of roundwood is illegal, but in those locations of Indonesia where law enforcement is weak (for example Papua), export of roundwood can still take place. There is a risk of inaccurate transportation letters and invalid legalization documents, because bribes may be paid to the representative from the Ministry of Forestry and Indonesian Customs. Bribes might be paid to speed up the process of obtaining these documents. A recent study suggests that several loopholes in SVLK have enabled companies to misuse their export declaration documents to be used by other enterprises (JPIK 2016). The study found strong indication of illegality in which active wood exports continue to be carried out by companies that have not operated for more than a year and those that are not registered in the Trade and Industry Agency, as well as companies forging signatures for export documents (JPIK 2016). The export of timber is verified as part of the SVLK certification process. SVLK certification is mandatory for any operator in the forest sector, and SVLK license (V-Legal document/FLEGT License) mandatory for all exports. The SVLK legality certificate ensures that all legal requirements associated with the relevant permit type

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
		<p>Independent Forest Monitoring Network (JPIK). Available online at: http://jpik.or.id/info/wp-content/uploads/2018/Newsletter/Newsletter%209%20edition%20[EN].pdf, accessed on 16 May 2018.</p> <ul style="list-style-type: none"> • SUCOFINDO, 2018. First Annual Overview of the TLAS Operationality in Indonesia, Implementation Report as part of the Periodic Evaluation FLEGT VPA. Available online at: https://silk.dephut.go.id/app/Upload/hukum/20180406/86399d9d6774bedd9373b8a144fa8359.pdf, accessed on 15 May 2018. • Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC. 	<p>(legality grid) has been verified as met by a professional auditor. However, a recent article of JPIK (7 years monitoring: Timber Processing Industries in East Java) in the 9th Edition of the Newsletter The Monitor (March, 2018), shows that violations of raw material legality have been found in East Java. "These violations include the following:</p> <ol style="list-style-type: none"> 1. Nominee arrangement in V-Legal document used for export by PT DPS in 2013. 2. Export Declarations falsification and timber size/measurements that do not conform to sizes for Indian Rosewood (<i>Dalbergia latifolia</i>) export to China in 2014. 3. Illegal processed timber laundering using Invoice of Processed Timber Transportation (FAKO) documents by Labora Sitorus' company in 2013. 4. Timber Legality Certificate (SLK) falsification in Jombang in 2014 because there is lack of raw material validation from the receiving company. 5. Lack of barcode and V-legal logo use on logs shipped from Gresik Port." <p>Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>category), indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate, for example, to: logs not marked with V-Legal Logo, among others [...]</p> <p>Despite comprehensive procedures in place to ensure the robust issuance of V-Legal Documents, this Periodic Evaluation found indications of problems associated particularly with the export of furniture and other household utility items. Lesser extent problems were also detected on other export products. As of September 2017, the LIU has received queries from FLEGT competent authorities of the EU Member States seeking clarifications on:</p> <ul style="list-style-type: none"> - Inconsistences in product quantities between V-Legal Documents and invoices and packing lists. - Appearance variations in the V-Legal Documents (paper quality, paper colour, logo, signature attributes) in part related to decentralised printing practices. - Inconsistences in HS codes between export and import declarations. <p>The LIU is currently implementing an action plan to address the identified problems. The action plan covers: (i) exploring feasible means to minimise the practice of</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>making changes to export documents after V-Legal Documents/FLEGT licences have been issued; (ii) harmonising the use of HS codes; (iii) providing LAs with additional instructions and guidance for appropriate issuance of V-Legal Documents/FLEGT licences; and iv) improving the communication between the LIU and competent authorities on the identified problems.</p> <p>In order to improve the exchange of information between the LIU and the competent authorities, the LIU is developing a standard query/response form that is expected to make communication on V-Legal Documents/ FLEGT licences more efficient. The LIU also plans to host visitors from competent authorities to solve these issues through direct communication”.</p> <p>Even though, certain measures are being taken to improve the issues explained above in relation to this indicator, there is limited data to assess the outcomes of the implementation of these measures. Based on this factor, precautionary approach has been applied for this indicator, thus specified risk is considered for all timber sources.</p> <p><i>Risk Conclusion</i></p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.
1.20 CITES	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Act No 5 Year 1990 On Conservation of Natural Resources and Ecosystem. http://jdih.bpk.go.id/wp-content/uploads/2012/03/1990-UU-05-Hayati-ekosistem.pdf President of the Republic of Indonesia decree No 1 Year 1987 on For Ratification of CITES. http://hukum.unsrat.ac.id/pres/keppres1987_1.pdf President Regulation No.43/1978 on Ratification of CITES <p>Legal authority</p> <ul style="list-style-type: none"> Conservation of Natural Resources Agency (BKSDA/Balai Konservasi Sumber Daya Alam) 	<p>Non-Government Sources</p> <ul style="list-style-type: none"> Peredaran Hasil Hutan, 2014. Daftar Satwa dan Tumbuhan Yang Termasuk Dalam Appendix CITES. http://peredaranhasilhutan.blogspot.com/2014/09/daftar-satwa-dan-tumbuhan-yang-termasuk.html, accessed 1 May 17. CITES, 2014. Appendices I, II and III – cites. http://www.cites.org/eng/app/2012/E-20120403.pdf, accessed 1 May 2017. Forest Legality Alliance, 2015. Indonesia – Risk tool. http://www.forestlegality.org/risk-tool/country/indonesia#tab-management, accessed 1 May 2017. Madeleine Groves and Catherine Rutherford for Kew Royal Botanic Gardens, 2015. CITES and Timber A guide to CITES-listed tree species. http://www.kew.org/data/CITES_User_G 	<p>Overview of Legal Requirements</p> <p>Indonesia ratified the Convention in 1978. Indonesian Government Regulation No 7/1999 concerning Provision of Plant and Animal species pertains to Indonesia's obligations under CITES. The law requires government officials to ensure all species that are exported /imported do so legally and authorized by the appropriate agency (FLA 2015).</p> <p>There are no Appendix I plant species listed in Indonesia. However, there are several CITES listed species in Appendix II and III, which are traded commercially in Indonesia. These include:</p> <ul style="list-style-type: none"> <i>Aquilaria spp.</i> This tree species produces timber that can supply agarwood, a fragrant wood extremely valuable for incense, perfume and traditional medicine. Overharvesting has led to the listing of <i>Aquilaria</i> species in CITES. Some of these species such as <i>Aquilaria malaccensis</i> are found across Southeast Asia, including Indonesia, of which Indonesia is one of the largest suppliers to the international market. Harvesting of the <i>Aquilaria</i> spp. is regulated by Indonesian forest law, but Indonesia is one of few countries to have set quotas for

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions. GANISPHPL-BINHUT is the technician who has the qualification (trained by government authorities) to deal with protected endangered flora and fauna. Qualification in CITES may not be relevant. LIPI/Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Science) is the entity who has the legal authority to measure populations and group species and feeds the information into the CITES Appendices. <p>Legally required documents or records</p> <ul style="list-style-type: none"> CITES Permit Report on Protected Forest Species and Animals (this report 	<p>uides/CITES-and-Timber.pdf, accessed 1 May 2017.</p> <ul style="list-style-type: none"> Animal Welfare Insitute, 2014. CITES Protects Ramin - Indonesia Scores Big Win in Tropical Timber Conservation. https://awionline.org/content/cites-protects-ramin-indonesia-scores-big-win-tropical-timber-conservation, accessed 1 May 2017. United Nations Environment Programme World Conservation Monitoring Centre, 2007. Indonesia: A review of trade in CITES listed species. http://ec.europa.eu/environment/cites/pdf/reports/Indonesia.pdf, accessed 1 May 2017 EIA and Telapak, 2004. <i>The Ramin Racket – The role of CITES in curbing the illegal timber trade</i>. http://eia-international.org/wp-content/uploads/The-Ramin-Racket-Low-Res.pdf, accessed 1 May 2017. Lim Teck Wyn, Tonny Soehartono and Chen Hin Keong For TRAFFIC, 2004. Framing the picture: An assessment of 	<p>harvesting and trading the species. There are also recorded plantations of the <i>Aquilaria</i> spp. in Indonesia. The CITES listing for <i>Aquilaria</i> spp. applies to all parts and derivatives, except seeds; seedling or tissue cultures obtained in vitro, in solid or liquid media, transported in sterile containers; and cut flowers of artificially propagated plants.</p> <ul style="list-style-type: none"> <i>Gonystylus</i> spp. Commonly known as ramin, this species is highly prized and popular as a decorative timber for furniture and interior accessories, but also for veneer and plywood. Deforestation in natural forests are associated with excessive harvest of ramin through illegal logging for international trade. Concerns regarding the illegal harvesting of ramin in Indonesia, with illegal trade between Indonesia and Malaysia, led to the CITES listing for <i>Gonystylus</i> spp. in Indonesia. It applies to all parts and derivatives of the tree, except seeds; seedling or tissue cultures obtained in vitro, in solid or liquid media, transported in sterile containers; and cut flowers of artificially propagated plants. <i>Gyrinops</i> spp. <i>Gyrinops</i> spp. is another timber species that can produce agarwood. The CITES listing for <i>Gyrinops</i> spp. applies to all parts and derivatives, except seeds; seedling or tissue cultures obtained in vitro, in

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	is usually only done on a voluntary basis by a company)	<p>Ramin trade in Indonesia, Malaysia and Singapore. http://www.traffic.org/forestry-reports/traffic_pub_forestry6.pdf accessed 1 May 2017.</p> <ul style="list-style-type: none"> Expert consultation conducted by NEPCon in the preparation of this report. Experts elected to remain anonymous. A full list of experts consulted has been provided to FSC. 	<p>solid or liquid media, transported in sterile containers; and cut flowers of artificially propagated plants.</p> <ul style="list-style-type: none"> <i>Taxus sumatrana</i> Sometimes known as Chinese yew, this tree is used for furniture and joinery. The CITES listing for <i>Taxus sumatrana</i> applies to logs, sawn wood, veneer sheets, plywood and essential oil (excluding finished products packaged and ready for retail trade). <p>Description of Risk</p> <p>Even though there is a regulation that relates to CITES, the law enforcement in Indonesia is not strong enough to ensure full implementation by concession license holders. Government inspectors (WASGANISPHPL) might check documents and inventory results in relation to CITES. There is a theoretical risk that these inspectors are not qualified enough for CITES or do not allocate enough time to check carefully for CITES violations, however, no information to this effect has been found during the research for this report.</p> <p>In Indonesia, misunderstanding and violations of the trade restrictions is commonplace (Expert consultation, 2015). Only selected species (for example tiger) receive strict law enforcement.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p>CITES permits are not included in the Legality Definition (Annex V) of the Indonesia/EU Voluntary Partnership agreement and are not treated as part of the SVLK system.</p> <p>Risk Conclusion</p> <p>This indicator has been evaluated as specified risk. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>
Diligence/due care procedures			
1.21 Legislation requiring due diligence/due care procedures	<p>Applicable laws and regulations</p> <ul style="list-style-type: none"> Circular Letter No. SE.6 DG SFM / SFM / PPHH / PHPL.3 / 3/2016 concerning Issuance (Temporary Import Recommendation) (<i>Surat Edaran Dirjen PHPL Nomor SE.6/PHPL/PPHH/PHPL.3/3/2016 tentang Penerbitan Surat Keterangan (Rekomendasi Impor Sementara)</i>) - http://silk.dephut.go.id/app/Upload/hukum/20160324/7e1536ee476ae5bc865ade3969fc95cc.pdf 	<p>Government Sources</p> <ul style="list-style-type: none"> Guidelines for the Import of Products Forestry - http://silk.dephut.go.id/app/Upload/hukum/20151023/972ddb02c203125ec767b9285a9f1359.pdf FILING PROCEDURES FOR ISSUING IMPORT IMPORT DECLARATION AND RECOMMENDATIONS - http://silk.dephut.go.id/app/Upload/hukum/20151006/4956d06d049df5cd4db10fd9507dbb47.pdf 	<p>Overview of Legal Requirements</p> <p>Minister for Trade regulation 78/M-DAG/PER/10/2014 states that imported timber and timber products require proof of legality in the country of harvest. In this context, the SDoC template is also used for imports. Only registered importers (traders) and processing operators can import timber and/or timber products into Indonesia. These operators must exercise due diligence on imported timber and/or timber products to minimize the risk of illegal timber entering the Indonesian supply chain. They are required to provide information such as HS codes of products, Bill of Lading, countries of harvest, country of origin, proof of timber legality, and port of export in the declaration template. The due</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<ul style="list-style-type: none"> Regulation of the Minister of Trade No. 97 / M-DAG / PER / 11/2015 on Imports of Forest Products (<i>Peraturan Menteri Perdagangan Nomor 97/M-DAG/PER/11/2015 tentang Ketentuan Impor Produk Kehutanan</i>) - http://silk.dephut.go.id/app/Upload/hukum/20160211/e00fe09c35ca46b1156461b459fead3c.pdf SE.12 / SFM-PPHH / 2015 on Issuance (Temporary Import Recommendation) (<i>SE.12/PHPL-PPHH/2015 tentang Penerbitan Surat Keterangan (Rekomendasi Impor Sementara)</i>) - http://silk.dephut.go.id/app/Upload/hukum/20160104/6c1c1f343945169be7c7fe91999f4073.pdf Circular No. SE.11 / SFM-PPHH / 2015 on Procedures for the Implementation of Due Diligence (Due Diligence) (<i>Surat Edaran Nomor SE.11/PHPL-PPHH/2015</i>) 	<ul style="list-style-type: none"> Ministry of Environment, undated. <i>Logging and Deforestation: Facts and Figures</i>. Available online: http://www.menlh.go.id/penebangan-hutan-dan-deforestasi-fakta-dan-angka/, accessed 7 February 2017. Indonesian Country Specific Guideline 2015 http://www.daff.gov.au/SiteCollectionDocuments/forestry/australias-forest-policies/illegal-logging/indonesia-country-specific-guideline.pdf Indonesia-EU VPA Joint Implementation Committee. 2015. Summary of Indonesia-EU Action Plan on the Advancement of VPA Implementation - http://www.euflegt.efi.int/documents/10180/196582/Summary+IDN+EU+Action+Plan+on+the+advancement+of+VPA+implementation.pdf/d3381158-69b0-47d9-9c03-af7d1dba0a72 Indonesia-EU VPA Joint Implementation Committee. 2015. Record of discussion of the second Joint Implementation Committee meeting, 12 February 2015 - 	<p>diligence procedures encompass data collection, risk analysis and risk mitigation. Procedures are carried out using the SILK online system of the Ministry of Forestry. The Ministry issues an import recommendation to the Ministry of Trade after assessing each due diligence process conducted by an operator. CABs when conducting audits of the importer carry out document review of the due diligence system applied. Detailed procedures for the due diligence system and related checks will be provided in the TLAS guidelines and related import regulations.</p> <p>The Ministry of Trade and the Ministry of Environment and Forestry have developed regulations and procedures for verifying the legality of timber imports, with the participation of Ministry of Industry. The new legal requirements are reflected in the VPA, in its annex on the timber legality assurance system. See the SILK website's page on import regulations.</p> <p>Only designated importers (traders) and processing operators can import timber and/or timber products into Indonesia. They must hold information on due diligence procedures they apply to their imports to minimise the risk of illegal timber entering the Indonesian supply chain. The information on due diligence procedures encompasses data collection, risk analysis and risk mitigation. Procedures are</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p><i>tentang Tata Cara Pelaksanaan Uji Tuntas (Due Diligence)) -</i> http://silk.dephut.go.id/app/Upload/hukum/20160104/0f16b0ddd013d4a5060f3c8980a2cb95.pdf</p> <ul style="list-style-type: none"> Regulation of the Director General of the Sustainable Forest Management No. P.7 / SFM-SET / 2015 on Procedures for the Implementation of Due Diligence (Due Diligence), Publishing Import Declaration and Forestry Product Import Recommendation (<i>Peraturan Direktur Jenderal Pengelolaan Hutan Produksi Lestari Nomor P.7/PHPL-SET/2015 tentang Tata Cara Pelaksanaan Uji Tuntas (Due Diligence), Penerbitan Deklarasi Impor dan Rekomendasi Impor Produk Kehutanan</i>) - http://silk.dephut.go.id/app/Upload/hukum/20150910/4cc40232c5c86d01d110877c52289b25.pdf 	<p>http://www.euflegt.efi.int/documents/10180/196582/Record+of+Discussion+2nd+ID+N+EU+Joint+Implementation+Committee.pdf/b8eebb8e-8f86-4319-94db-b66bfa9282c</p> <ul style="list-style-type: none"> Indonesia-EU VPA Joint Implementation Committee. 2014. Results of the second stage of the joint assessment of Indonesia's timber legality assurance system: Public summary - http://www.euflegt.efi.int/documents/10180/196582/Public+Summary+Stage+II+Joint+Assessment/e73662da-6b7b-4c82-b4ca-d7e629d3b60b Annual report progress update April 2015-May 2016: Implementing the Indonesia – EU FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/296026/Indonesia+VPA+Annual+Report+progress+update+April+2015-May+2016.pdf/f42aba21-55d7-49b7-a518-d3f646837db0 Annual report May 2014-April 2015: Implementing the Indonesia – EU 	<p>carried out using the SILK online system of the Ministry of Environment and Forestry.</p> <p>The Ministry of Environment and Forestry issues an import recommendation to the Ministry of Trade after assessing each operators' information on the due diligence process prior to import. The operators must complete a declaration to provide information such as HS codes of products, bill of lading, countries of harvest, country of origin, proof of timber legality, and port of export.</p> <p>Conformity Assessment Bodies carry out a document review of the due diligence system applied when conducting audits of the importing operator.</p> <p>Detailed procedures for the due diligence system and related checks are provided in import regulations by the Ministry of Trade such as the regulation of Director General of Sustainable Production Forest Management P7/PHPL-SET/2015.</p> <p>Description of Risk</p> <ul style="list-style-type: none"> The due diligence requirements are verified as part of the SVLK certification process. SVLK certification is mandatory for any operator in the forest sector, and SVLK license (V-Legal document/FLEGT License) mandatory for all exports. The SVLK legality certificate ensures that all

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Legal authority</p> <ul style="list-style-type: none"> Directorate General of Ministry of Environment and Forestry (MoEF). The central Government is the authority to require the Indonesian Timber Verification Legality System, called SVLK "Sistem Verifikasi Legalitas Kayu". The Government employs experts, called WASGANISPHPL (15 types) with the authority to supervise GANISPHPL personnel at the concessions according to Due Diligence. GANISPHPL (19 types) are the technicians who have the qualification (trained by government authorities) to conduct Due Diligence. 	<p>FLEGT Voluntary Partnership Agreement - http://www.euflegt.efi.int/documents/10180/211477/VPA+Annual+Report+Indonesia-EU+2014-2015.pdf/09c63a6a-377f-4b4e-99e1-cb3808a9a52c</p> <ul style="list-style-type: none"> EU FLEGT Facility briefing note on the EU-Indonesia VPA - http://www.euflegt.efi.int/files/attachment/s/euflegt/briefing_note_indonesia%20en.pdf <p>Non-Government Sources</p> <ul style="list-style-type: none"> Fishman and K. Obidzinski for CIFOR, 2015. Verified Legal? Ramifications of the EU Timber Regulation and Indonesia's Voluntary Partnership Agreement for the Legality of Indonesian Timber. International Forestry Review Vol.17(1), 2015. http://www.cifor.org/publications/pdf_files/articles/AObidzinski1502.pdf, accessed 1 May 2017. Global Timber Forum, 2015. <i>Indonesia requires due diligence for imported wood</i> 	<p>legal requirements associated with the relevant permit type (legality grid) has been verified as met by a professional auditor. In all 5 legality grids in the VPA annex II (legality definition) the due diligence requirements must be verified through the use of listed verifiers.</p> <ul style="list-style-type: none"> However, a recent article of JPIK (7 years monitoring: Timber Processing Industries in East Java) in the 9th Edition of the Newsletter The Monitor (March, 2018), shows that violations of raw material legality have been found in East Java. "These violations include the following: <ol style="list-style-type: none"> 1. Nominee arrangement in V-Legal document used for export by PT DPS in 2013. 2. Export Declarations falsification and timber size/measurements that do not conform to sizes for Indian Rosewood (<i>Dalbergia latifolia</i>) export to China in 2014. 3. Illegal processed timber laundering using Invoice of Processed Timber Transportation (FAKO) documents by Labora Sitorus' company in 2013. 4. Timber Legality Certificate (SLK) falsification in Jombang in 2014 because there is lack of raw material validation from the receiving company. 5. Lack of barcode and V-legal logo use on logs shipped from Gresik Port." Furthermore, the findings of the first Periodic Evaluation of the FLEGT VPA, developed by SUCOFINDO (2018) (see

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
	<p>Legally required documents or records</p> <p>N/A</p>	<p><i>but relaxes SVLK rules for certain products.</i> http://www.gtf-info.com/news/market-legality-requirements/indonesia-requires-due-diligence-for-imported-wood-but-relaxes-svlk-rules-for-certain-products/, accessed 1 May 2017.</p> <ul style="list-style-type: none"> Hans Nicholas Jong and Khoirul Amin, The Jakarta Post, 6 Oct 2015. <i>Govt's new timber certification policy may lead to illegal logging.</i> https://www.pressreader.com/indonesia/the-jakarta-post/20151006/281616714189906, accessed 1 May 2017. 	<p>more details in the information provided above in the <i>Overview of the forest sector in Indonesia</i> section of this category), indicate that “at least 56 cases of suspected non-compliance were found in forest concessions, forest conversion areas and associated supply chains, filed by IM organisations, of which 28 cases were of a more serious nature and thus also reported to the MOEF. The non-compliant observations relate, for example, to: logs not marked with V-Legal Logo, among others [...]</p> <p>Despite comprehensive procedures in place to ensure the robust issuance of V-Legal Documents, this Periodic Evaluation found indications of problems associated particularly with the export of furniture and other household utility items. Lesser extent problems were also detected on other export products. As of September 2017, the LIU has received queries from FLEGT competent authorities of the EU Member States seeking clarifications on:</p> <ul style="list-style-type: none"> - Inconsistences in product quantities between V-Legal Documents and invoices and packing lists. - Appearance variations in the V-Legal Documents (paper quality, paper colour, logo, signature attributes) in part related to decentralised printing practices. - Inconsistences in HS codes between export and import declarations.

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			<p>The LIU is currently implementing an action plan to address the identified problems. The action plan covers: (i) exploring feasible means to minimise the practice of making changes to export documents after V-Legal Documents/FLEGT licences have been issued; (ii) harmonising the use of HS codes; (iii) providing LAs with additional instructions and guidance for appropriate issuance of V-Legal Documents/FLEGT licences; and iv) improving the communication between the LIU and competent authorities on the identified problems.</p> <p>In order to improve the exchange of information between the LIU and the competent authorities, the LIU is developing a standard query/response form that is expected to make communication on V-Legal Documents/ FLEGT licences more efficient. The LIU also plans to host visitors from competent authorities to solve these issues through direct communication”.</p> <p>Even though, certain measures are being taken to improve the issues explained above in relation to this indicator, there is limited data to assess the outcomes of the implementation of these measures. Based on this factor, precautionary approach has been applied for this indicator, thus specified risk is considered for all timber sources.</p>

Indicator	Applicable laws and regulations, legal Authority, & legally required documents or records	Sources of Information	Risk designation and determination
			<p><i>Risk Conclusion</i></p> <p>This indicator has been evaluated as specified. Threshold (2) is met: Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.</p>

Recommended control measures

The recommended control measures here are only indicative in nature and are not mandatory. Organizations shall evaluate and devise appropriate control measures to mitigate the risks identified in this risk assessment as applicable.

Indicator	Recommended control measures
1.1 Land tenure and management rights	<p>Country Specific Verifiers:</p> <ul style="list-style-type: none"> - A concession license has to be in place. - The boundaries of the concession shall be confirmed to match the license area. - There shall be no open case against the company with the KPK. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Land registry shall confirm ownership and validity of property deed. - Tax authorities shall confirm valid tax registration.

Indicator	Recommended control measures
	<ul style="list-style-type: none"> - The business register shall confirm valid business licenses to operate within the jurisdiction. - In areas with land ownership conflicts, consultation with neighbours, local communities and others shall confirm that land tenure rights are clear. - Stakeholder consultation shall confirm that registration of FME has been granted following legally prescribed processes. - Stakeholder consultation shall confirm that legal status of the operation or rights for conducting the established activities are not subject to court orders or other legally established decisions to cease operations. - The management contract or other agreements with the owner shall indicate clear management rights. - Valid business registration documents shall exist. - The issuance of legal rights and registration shall be subject to public disclosure prior to commencement of any activities within FMUs. - Inspections of harvesting site shall confirm that harvesting takes place within property limits (including felling, transport and log landings).
1.2 Concession licenses	<p>Country Specific Verifiers:</p> <p>The date of a concession license is a first indication of legality: licenses with a date after 2011 are illegal. For older licenses the KPK is a credible control measure in Indonesia, as described under 1.1 above. The Forest Planning Agency provides public information on the location of concessions. The actual location of forest operations can be verified via satellite images and field surveys. The Corruption Eradication Commission or Komisi Pemberantasan Korupsi (abbreviated KPK) is another credible entity providing a control measure in Indonesia.</p> <p>Confirmation of the following:</p> <ul style="list-style-type: none"> - There are no open cases of a given company with the KPK. - A concession license has to be in place. - The date of issue of the concession license shall not be after 2011. Note that the moratorium for new licenses does not apply for all forest area. There are specific areas that the moratorium does not apply to, called PIPB (Peta indicatif Penundaan Ijin Baru/Indicatif map for new license). This map is updated every 6 months (visit this site http://webgis.dephut.go.id:8080/kemenhut/index.php/id/peta/pippiblicenses). So it is not the case that all new license after 2011 are illegal. - The boundaries of the concession shall be confirmed to match the license area. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Proper legal procedures for obtaining concession licenses shall be followed.

Indicator	Recommended control measures
	<ul style="list-style-type: none"> - Valid concession license agreements shall exist. - The process of obtaining concession shall follow an open and transparent process based on clear criteria and be confined to eligible organisations. - Independent stakeholder consultation shall confirm that legal procedures for obtaining concession licenses have been followed
1.3 Management and harvesting planning	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Ten Year and Annual Work Plans must be in place and should be confirmed. - Government auditor reports on harvesting are in place. The findings of the reports can be cross-referenced with the plans and any inconsistencies noted. In addition, independent data, such as satellite data from 'Global Forest Watch can give a first indication if logging is occurring outside approved areas. - Government auditor reports and remote sensing data (e.g. Global Forest Watch) are free of inconsistencies. - Satellite data showing deforestation over time can give a rough indication if sustainable volumes have been harvested. - Independently collected field data can be used as a verifier as to whether data in management plans are accurate. - Actual logging volumes compared to planned logging volumes are another verifier as to whether management plans are being correctly implemented. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Maps showing harvesting areas (in compliance with the harvesting plan) - Document review: approved harvesting plan and management plan - Field visits to verify that the contractors have a Timber Extraction Contract. - Approved forest management plans shall exist for the FMU where the harvesting is taking place. - Forest management plans shall contain all legally required information and procedures. - Annual operating or harvesting plans shall be in place and approved by legally competent authorities. - Annual operating or harvesting plans shall contain information and procedures, according to all legal requirements. - The contents of the operating and harvesting plans shall be consistent with approved forest management plans. - Plans for carrying out harvesting operations shall be subject to public disclosure and objections prior to commencement if legally required.

Indicator	Recommended control measures
	<ul style="list-style-type: none"> - Harvesting restrictions shall be identified in management plan and maps if legally required. - Harvesting inventories shall be conducted according to legal requirements. - Field verifications shall indicate that the contents of the harvesting plans are adhered to in the field. - Stakeholder consultation shall indicate that the forest management plan has been approved according to legally prescribed process.
1.4 Harvesting permits	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Compare volumes detailed in the approved permit with actual harvesting volumes and species. - Isotope classification can identify if there is mixed tropical hardwood harvested, instead of the one species of timber that is claimed to be harvested according to the harvesting permit. - There are Government supervisors and auditors in place (WASGANISPHPL) whose reports are an indication that harvesting permits have undergone government approval. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Field visits to verify that maps are in compliance with reality. - Harvesting permits (license or similar legal document governing the harvesting of forest resources) shall exist. - Harvesting limits shall be clearly defined based on maps and quantities. - Authorities shall confirm the validity of harvesting permits. - Stakeholder consultation shall confirm that the harvesting permit has been issued according to the relevant laws and regulations by the legally designated competent authority. - Field inspection shall confirm that harvesting takes place within limits given in the harvesting permit. - Field inspection shall confirm that information regarding area, species, volumes and other details given in the harvesting permit are correct and within limits prescribed in the legislation.
1.5 Payment of royalties and harvesting fees	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - The evidence of the SPP invoice from the Government and corresponding cash or transfer payments made by the company.

Indicator	Recommended control measures
	<p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Receipts shall exist for payments of harvesting related royalties, taxes, harvesting fees and other charges. - Volumes, species and qualities given in sales and transport documents shall match the paid fees. - Classification of species, volumes and qualities shall match the royalties and fees paid.
1.6 Value added taxes and other sales taxes	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - The representative of the Directorate General of Tax can cross-check the report from the exporting company with the factual data in the possession of the company. As a verifier the report from the Directorate should be requested. - Receipts for payment of taxes shall exist. - Volumes, species and qualities given in harvesting, transport and export documents shall match the fees paid. - Sales prices shall be in line with market prices. - Harvested species, volume and qualities shall match the sales documents. - Authorities shall confirm that operation is up-to-date in payment of applicable taxes. - Consultation with the financial authority to verify that all required taxes have been paid. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Sales documents shall include applicable sales taxes. - Receipts for payment sales taxes shall exist. - Volumes, species and qualities given in sales and transport documents shall match the fees paid. - Sales prices shall be in line with market prices. - Harvested species, volume and qualities shall match the sales documents. - Authorities shall confirm that operation is up to date in payment of applicable taxes.

Indicator	Recommended control measures
	<ul style="list-style-type: none"> - Consultation with financial authority to verify that all required taxes have been paid.
1.7 Income and profit taxes	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Obtain copies of the monthly withholding tax reports from the company. - The representative of the Directorate General of Tax will be able to cross-check the report from the company to the factual data in the company's possession. As a verifier the report from the Directorate should be requested. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Consultation with the financial authority to verify that all required income and profit taxes have been paid.
1.8 Timber harvesting regulations	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - The Government employs experts (WASGANISPHPL) who have the authority to ensure that harvesting is carried out according to the approved Work Plans. Their reports can be compared to actual practices on the ground as a verifier of the risk of illegal logging. - Reports of illegal logging can be made to the police, and these reports are a helpful verifier. However, there is no guarantee that the police will follow up on reports of illegal logging. - On a larger scale, the satellite data from Global Forest Watch can give a first indication if harvesting is approved areas. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Harvesting shall be conducted within the authorised boundaries of the FMU. - Harvesting shall not take place in areas where harvesting is legally prohibited. - Tree species or selected trees found within the FMU for which felling is prohibited shall be listed in operational plans. - Harvesting restrictions shall be observed in the field. - Tree species or selected trees found within the FMU for which felling is prohibited shall be marked in the field.

Indicator	Recommended control measures
1.9 Protected sites and species	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Confirm that all legally protected areas (including species habitats) are included in the management plan. - Confirm that all legally established procedures for surveying, managing and protecting endangered or threatened species within the management unit have been followed. - The satellite data from Global Forest Watch can give a first indication if harvesting is encroaching on protected areas. - WWF, UNEP and other institutions provide guidance on biodiversity hotspots, the locations of which should be referenced with concession location data. - A press review can also help to identify if a company has been involved in hunting of protected species or destruction of protected areas. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - All legally protected areas (including species habitats) shall be included in the management plan or related documentation if required by the legislation. - Legally established procedures for surveying, managing and protecting endangered or threatened species within the management unit shall be followed. - Nature protection regulations relating to protected areas, set-aside areas, protected species and hunting restrictions shall be followed.
1.10 Environmental requirements	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - The Government employs experts (WASGANISPHPL) who have the authority to ensure that harvesting is done according to the approved Work Plans and environmental plans. Their reports can be compared to actual practices on the ground as a verifier of the risk of environmental damage. - Check that the EIA was carried out, verify that the content fulfils all the legal requirements. - Check that the company has an Environmental License. - Verify that environmental controls are followed in the field. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p>

Indicator	Recommended control measures
	<p>Generic verifiers:</p> <ul style="list-style-type: none"> - Environmental and/or Social Impact Assessments shall be in place and approved by the legally competent authority if legally required. - Requirements for environmental monitoring shall be observed. - Environmental restrictions shall be followed in the field, such as requirements related to soil damage, buffer zones, retention trees, seasonal restrictions etc.
1.11 Health and safety	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Verify that the company has an occupational safety and health (OSH) management system, and that the system is used in practice. - Verify that the employees of the company have been trained about work safety by an independent institute with international recognition. There should be a certificate from the independent institute documenting that staff have passed the training. - Obtain records of reports of workplace deaths. Deaths in the workplace must be recorded. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - All safety and health regulations shall be followed, and all required safety equipment shall be used. - Occupational health and safety requirements shall be observed by all personnel involved in harvesting activities. - Interviews with staff and contractors shall confirm that legally required protection equipment is required/provided by the organisation. - All requirements on prevention of air and water pollution shall be followed and are verified through reports monitoring pollution (when applicable).
1.12 Legal employment	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Verify that the company has an occupational safety and health (OSH) management system, and that the system is used in practice. - Verify that the employees of the company have been trained about work safety by an independent institute with international recognition. There should be a certificate from the independent institute documenting that staff have passed the training. - Obtain records of reports of workplace deaths. Deaths in the workplace must be recorded. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p>

Indicator	Recommended control measures
	Generic verifiers: <ul style="list-style-type: none"> - All safety and health regulations shall be followed, and all required safety equipment shall be used. - Occupational health and safety requirements shall be observed by all personnel involved in harvesting activities. - Interviews with staff and contractors shall confirm that legally required protection equipment is required/provided by the organisation. - All requirements on prevention of air and water pollution shall be followed and are verified through reports monitoring pollution (when applicable).
1.13 Customary rights	Country specific verifiers: <ul style="list-style-type: none"> - The absence of conflicts over customary rights is a good verifier to determine how well customary rights are respected in a given case. - Newspaper reviews and interviews can be part of the set of verifiers to assess the situation. - Stakeholder consultation shall confirm that customary rights are observed during harvesting activities. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> Generic verifiers: <ul style="list-style-type: none"> - Stakeholder consultation shall confirm that customary rights are observed during harvesting activities.
1.14 Free prior and informed consent	N/A
1.15 Indigenous peoples rights	Country specific verifiers: <ul style="list-style-type: none"> - Stakeholder consultation shall confirm that Indigenous Peoples' established rights are not being violated. - Absence of conflict and practice of self-determination is a first verifier of established Indigenous Peoples' rights. - AMAN has launched an indicative map of Indigenous Territories in Indonesia (refer www.aman.or.id). Generic verifiers: <ul style="list-style-type: none"> - Stakeholder consultation shall confirm that Indigenous Peoples' established rights are not being violated.

Indicator	Recommended control measures
1.16 Classification of species, quantities, qualities	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - While it should be assumed that Government control through WASGANISPHPL-PKB staff is sufficient to ensure correct classification of species, quantities and qualities, it is recommended as an additional verifier to cross-check production reports with concession licenses and Work Plans. - Fully map the wood movement from the forest to the end process, including the required documents. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Requirements related to transport means (e.g. trucks) shall always be followed. - Species and product types shall be legally traded. - Required trade permits shall exist and be documented. - All required transport documents shall exist and be documented. - Volume, species and qualities shall be classified according to legal requirements. - Documents related to transportation, trade or export shall be clearly linked to the specific material in question.
1.17 Trade and transport	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Government controls through WASGANISPHPL-PKB staff are intended to ensure correct classification of species, quantities and qualities. - Cross-check production reports with concession licenses and Work Plans. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Requirements related to transport means (e.g. trucks) shall always be followed. - Species and product types shall be traded legally. - Required trade permits shall exist and be documented. - All required transport documents shall exist and be documented. - Volume, species and qualities shall be classified according to legal requirements.

Indicator	Recommended control measures
	<ul style="list-style-type: none"> - Documents related to transportation, trade or export shall be clearly linked to the specific material in question.
1.18 Offshore trading and transfer pricing	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Determine if the company has any subsidiary operating in a known tax haven. - Review internal invoicing to determine whether the prices used were comparable to market prices. - Review transfer pricing documentation to prove market price-based transactions. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - If illegal in the country of the supplier or sub-supplier, the products shall not have been traded through countries known as 'tax havens'. - There shall be no illegal manipulation in relation to the transfer pricing.
1.19 Custom regulations	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - While Indonesia's Customs does check and verify goods, it should be verified that this was implemented for the shipment in question. - Review Customs reports, note that there are risks associated with the issuing of export permits. <p>The SVLK system and associated legitimate certification (LP-PHPL at forest level, LVLK throughout the supply chain and V-Legal at the point of export) can be a strong control measure for risk.</p> <p>Generic verifiers:</p> <ul style="list-style-type: none"> - Products shall be correctly classified (type, Customs code, species, quantities, qualities, etc.). - All required import and exports permits shall be in place.
1.20 CITES	<p>Country specific verifiers:</p> <ul style="list-style-type: none"> - Verify that the CITES permit obtained relates directly to the product. - Concession location, logging permits, Work Plans, transport documents and inspection results can give an indication of the presence of CITES species. Independent verification of wood samples can give assurance of CITES-free shipments.

Indicator	Recommended control measures
	Generic verifiers: - All cross-border trade of CITES-listed species shall be documented and accompanied by required export, import and re-export certificates issued by competent authorities (CITES Management Authorities).
1.21 Legislation requiring due diligence/due care procedures	Country specific verifiers: - Ensure the importer has a due diligence system which complies with the requirements of the regulation.

Controlled wood category 2: Wood harvested in violation of traditional and human rights

Risk assessment

Indicator	Sources of Information	Functional scale	Risk designation and determination
2.1. The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or linked to military control.	See detailed analysis below.	Country	<p>Risk determination:</p> <p>Low risk</p> <p>Justification:</p> <p>All 'low risk thresholds' (1, 2, 3, 4 and 5) are met. None of the 'specified risk thresholds' are met.</p>
2.2. Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work.	See detailed analysis below.	Country	<p>Risk determination:</p> <p>Low risk for forced labour.</p> <p>Specified risk for freedom of association and collective bargaining, child labour and discrimination in the labour market.</p> <p>Justification:</p> <p>'Specified risk thresholds' (13), (14) and (15) apply for rights to organize, child labour and discrimination.</p> <p>'Low risk thresholds' (11) and (12) apply for forced labour.</p>
2.3. The rights of Indigenous and Traditional Peoples are upheld.	See detailed analysis below.	Country.	<p>Risk determination:</p> <p>Specified risk for the whole country</p> <p>Justification:</p>

			<p>The 'specified risk thresholds' (23), (24) and (26) apply.</p> <p>If not yet mapped, further assessment is needed to conclude what exactly are the borders of the customary forests of indigenous or traditional peoples.</p>
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Recommended control measures

Indicator	Recommended control measures
2.1	N/A
2.2	CM should be based on clear evidence that the Organization has policies in place that guarantee core labour rights.
2.3	<p>Clear evidence that a forest operation is not taking place in customary forests of indigenous or traditional peoples.</p> <p>Or,</p> <p>Clear evidence that the FMU is managed by the governance structures of indigenous or traditional peoples,</p> <p>Or,</p> <p>Clear evidence that the involved indigenous or traditional peoples have freely ceded their territorial and/or use rights in an agreement or settlement with the government,</p> <p>Or</p> <p>an (FPIC) agreement with the involved indigenous or traditional peoples with customary forest rights in the forest management unit, after a fair, transparent, cultural appropriate and inclusive procedure.</p>

Detailed analysis

Sources of information	Evidence	Scale of risk assessment	Risk indication ¹⁸
Context (the following are indicators that help to contextualize the information from other sources) <ul style="list-style-type: none"> Searching for data on: level of corruption, governance, lawlessness, fragility of the State, freedom of journalism, freedom of speech, peace, human rights, armed or violent conflicts by or in the country, etc. 			
World Bank: Worldwide Governance Indicators - the WGI report aggregate and individual governance indicators for over 200 countries (most recently for 1996–2016), for six dimensions of governance: Voice and Accountability; Political Stability and Absence of Violence; Government Effectiveness; Regulatory Quality; Rule of Law; Control of Corruption http://info.worldbank.org/governance/wgi/index.aspx#home	http://info.worldbank.org/governance/wgi/index.aspx#reports (click on table view tab and select Country) In 2016 (latest available year) Indonesia scores between 33.33 (for Political Stability and Absence of Violence/Terrorism) and 53.37 (for Government Effectiveness) on the percentile rank among all countries for all six dimensions (the scores range from 0 (lowest rank) to 100 (highest rank) with higher values corresponding to better outcomes). The tendency is clearly towards an improvement: 5 out of 6 of these indicators have improved since 2007.	Country	
World Bank Harmonized List of Fragile Situations: http://siteresources.worldbank.org/EXTLICUS/Resources/511777-1269623894864/Fragile_Situations_List_FY11_%28Oct_19_2010%29.pdf	Indonesia does not feature on this list.	Country	
Committee to Protect Journalists: Impunity Index	Indonesia does not feature on this list.	Country	

¹⁸ A risk indication is provided for each source analyzed, except in the first part that addresses the general country context as that is not a risk indicator. A cumulative risk assessment for each risk indicator is provided in the row with the conclusion on each risk indicator, based on all the sources analyzed and evidence found.

CPJ's Impunity Index calculates the number of unsolved journalist murders as a percentage of each country's population. For this index, CPJ examined journalist murders that occurred between January 1, 2004, and December 31, 2013, and that remain unsolved. Only those nations with five or more unsolved cases are included on this index. http://cpj.org/reports/2014/04/impunity-index-getting-away-with-murder.php			
Carleton University: Country Indicators for Foreign Policy: the Failed and Fragile States project of Carleton University examines state fragility using a combination of structural data and current event monitoring https://carleton.ca/cifp/2018/cifp-2017-fragility-report/	https://carleton.ca/cifp/wp-content/uploads/CIFP-2017-Fragility-Report.pdf Indonesia scores 'moderately functional' on State fragility map 2017.	Country	
Human Rights Watch: http://www.hrw.org	https://www.hrw.org/world-report/2015 "Joko Widodo, popularly known as "Jokowi," took office on October 20, 2014, after winning a tightly contested presidential election on July 9. The election was a watershed; Widodo is the first Indonesian president who has neither a military background nor an elite family pedigree. Widodo's campaign focused primarily on economic issues, but he made commitments on several of the pressing human rights issues he inherited, including pledges to investigate the enforced disappearance of 13 pro-democracy activists in 1998 in the dying days of the Suharto dictatorship and to lift restrictions on foreign journalists from traveling to and reporting from Papua and West Papua provinces. Those commitments are vague, however, and had yet to be backed by specific directives or policy measures at time of writing. The human rights record of Jokowi's predecessor, Susilo Bambang Yudhoyono, in office for 10 years, was characterized more by failures and missed opportunities than by successes. Yudhoyono's government made little progress in ending impunity for past serious human rights abuses by security forces; failed to protect the rights of Indonesia's religious minorities from	Country	

	<p>increasing harassment, intimidation, and violence by Islamist militants; allowed the enforcement of local Islamic bylaws that violate rights of women, LGBT people, and religious minorities; and failed to address continuing abuses in Papua." (p.288)</p> <p>"Papua</p> <p>Papua (used here to refer to the provinces of Papua and West Papua) remained tense in 2014 as security forces continued to confront a low-level pro-independence insurgency movement led by the Free Papua Movement (Organisasi Papua Merdeka, OPM)." (p. 290)</p> <p>"Land Rights</p> <p>The Ministry of Forestry continued in 2014 to include forest lands claimed by indigenous communities within state forest concessions awarded to timber and plantation companies. In May 2013, the Constitutional Court rebuked the ministry for the practice and declared unconstitutional a provision of the 1999 Forestry Law that had enabled it.</p> <p>In October 2014, President Widodo merged the Agriculture Ministry and the National Land Authority into a single ministry and did the same with the Ministry of Forestry and the Ministry of Environment. Activists hope the consolidation will improve efficiency, reduce corruption, and allow for more effective government oversight of land issues." (p. 290-291)</p> <p>"Freedom of Expression</p> <p>The Indonesian government continues to arrest peaceful protesters who raise separatist flags. On April 25, police in Ambon arrested nine people who led a prayer to commemorate the 1950 declaration of an independent "South Moluc-</p>	<p>Papua</p> <p>Country</p>	
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	<p>cas Republic.” The nine were charged with treason and in November were still on trial.” (p. 291)</p> <p>“Women’s and Girls’ Rights</p> <p>Discriminatory regulations against women and girls continued to proliferate in 2014. Indonesia’s official Commission on Violence against Women reported that, as of August, national and local governments had passed 23 new discriminatory regulations in 2014.</p> <p>Indonesia has a total of 279 discriminatory local regulations targeting women. A total of 90 of those rules require girls and women, mostly students and civil servants, to wear the hijab. The mandatory hijab is also imposed on Christian girls in some areas.” (p. 292)</p> <p>“Refugees and Asylum Seekers</p> <p>Indonesia remains a transit point to Australia for refugees and asylum seekers fleeing persecution and violence in countries including Somalia, Afghanistan, Pakistan, and Burma.</p> <p>As of May 2014, there were approximately 10,509 refugees and asylum seekers in Indonesia, all living in legal limbo because Indonesia lacks an asylum law.” (p. 293)</p> <p>“Disability Rights</p> <p>On July 8, the parliament passed a new mental health act to address Indonesia’s dire mental healthcare situation. Conditions are particularly horrific for the tens of thousands of Indonesians with psychosocial disabilities who spend their lives shackled (<i>pasung</i>) instead of receiving community-based mental health care.” (p. 293)</p>		
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<p>US AID: www.usaid.gov</p> <p>Search on website for [country] + 'human rights' 'conflicts' 'conflict timber'</p> <p>For Africa and Asia also use:</p> <p>http://pdf.usaid.gov/pdf_docs/pnact462.pdf</p>	<p>No additional information found on specified risks after searching Indonesia + 'human rights' 'conflicts' 'timber conflicts'.</p>	Country	
<p>Global Witness: www.globalwitness.org</p> <p>Search on website for [country] + 'human rights' 'conflicts' 'conflict timber'</p>	<p>No information found on specified risks after searching Indonesia + 'human rights' 'conflicts' 'timber conflicts'.</p>	Country	
<p>World Wildlife Fund</p> <p>http://wwf.panda.org/about_our_earth/about_forests/deforestation/forest_illegal_logging/</p>	<p>http://wwf.panda.org/about_our_earth/about_forests/deforestation/forest_illegal_logging/</p> <p>"40-61% of timber production in Indonesia is believed to stem from illegal logging."</p>	Country	
<p>Transparency International Corruption Perceptions Index</p> <p>https://www.transparency.org/news/feature/corruption_perceptions_index_2017</p>	<p>Indonesia scores 37 points on the Corruption Perceptions Index 2017 on a scale from 0 (highly corrupt) to 100 (very clean). Indonesia ranks 96 out of 180 with rank nr. 1 being the cleanest country.</p>	Country	
<p>Chattam House Illegal Logging Indicators Country Report Card</p> <p>http://www.illegal-logging.info</p>	<p>http://www.illegal-logging.info/content/satellites-uncover-5-surprising-hotspots-tree-cover-loss</p> <p><i>Satellites Uncover 5 Surprising Hotspots for Tree Cover Loss – 2 September 2015</i></p> <p>"Those following tropical deforestation tend to focus on two countries, Brazil and Indonesia—and for good reason, as the two countries contain some of the world's most extensive tropical forests. However, Brazil has reduced deforestation in the Amazon by 70 percent over the last decade, and is widely considered a success story in forest conservation. Indonesia recently extended</p>	Country	

	<p>a moratorium to prevent future licensing of forest clearing in some of the country's richest forests.</p> <p>In 2014, however, we see an uptick in tree cover loss in both countries. Observers have suggested that Brazil's increase could be due to changes in commodity prices and legislation. In Indonesia, the latest data is disappointing following the drop in tree cover loss in 2013, but loss remains well below the rates seen in 2012. (Read more about these stories in our forthcoming blog on September 3.)</p> <p>Increasingly, however, Brazil and Indonesia alone do not paint the whole picture. More than 62 percent of tropical loss in 2014 occurred in countries outside of Brazil and Indonesia, compared to 47 percent back in 2001."</p> <p>http://www.illegal-logging.info/content/illegal-loggers-devise-new-strategies-outsmart-forest-rangers</p> <p><i>Illegal loggers devise new strategies to outsmart forest rangers - 16 July 2015</i></p> <p>"The Environment and Forestry Ministry's forest security and prevention director, Istanto, who was also present at the press briefing, said that his office was serious in its commitment to deal with illegal logging practices.</p> <p>Such a commitment, however, must also be supported by assurances from law enforcement officials that they would use specific regulations to charge illegal loggers, and apply severe penalties on those found guilty.</p> <p>"The Law No. 18/2013 on forest damage prevention and phase-out, which carries a maximum penalty of three years imprisonment for forest crime perpetrators, will hopefully give fresh air to law enforcement in the forestry sector," he said.</p> <p>Wildlife Conservation Society Indonesia Program (WCSIP) data revealed that 230,000 hectares of the TNGL's total area of 1,095,592 hectares had already been damaged."</p>		
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	<p>http://www.illegal-logging.info/content/zero-deforestation-supply-chain-new-approaches</p> <p><i>Zero deforestation in the supply chain - new approaches – 16 July 2015</i></p> <p>“On the commodity producer side, the palm oil industry has taken the lead – with large-scale traders and growers such as Cargill and Wilmar leading the way and many smaller producers following suit. In July, First Resources, a company with a controversial past, became the latest palm oil producer to commit to a zero deforestation policy and others are reportedly finalising policies banning deforestation and development on peat. Beyond palm oil, the pulp and paper industry are also coming on board. Asia Pulp and Paper blazed the trail with their 2012 commitment, and in June 2015 APRIL joined the fray.</p> <p>This is great news for the campaigners who have worked tirelessly to push towards explicit policies – but now the real work begins and these companies will need to ensure and prove that illegal and irresponsible products do not make their way into their complex supply chains.”</p> <p>http://www.illegal-logging.info/content/indonesias-latest-logging-ban-leaves-forests-risk-experts</p> <p><i>Indonesia's latest logging ban leaves forests at risk – experts – 18 June 2015</i></p> <p>Indonesia's recent renewal of a ban on new logging permits will not be enough to curb pressures on its forests without stronger enforcement on the ground, researchers and activists say.</p> <p>A new presidential instruction, signed by President Joko Widodo (Jokowi) last month, prevents new licenses being granted for a further two years, and is almost identical to the previous moratorium.</p> <p>Greenpeace Indonesia had warned that unless the moratorium was strengthened, at least 12.5 million hectares (30.9 million acres) of primary</p>		
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	<p>forest and peatland outside conservation and protected areas could potentially be deforested.</p> <p>http://www.illegal-logging.info/content/protecting-indonesias-forests-key-issue-paris-climate-talks</p> <p><i>Protecting Indonesia's forests is a key issue for Paris climate talks - 8 May 2015</i></p> <p>"So what can the Indonesian government do to strengthen the moratorium?</p> <p>First, it should increase local awareness and understanding of the moratorium. Experts from WRI and the Puter Foundation, an Indonesian NGO, interviewed officials from eight Indonesian districts about the policy. Only five out of eight districts knew the types of land protected under the moratorium; and only three out of eight knew the specific areas protected by the official moratorium map within their district boundaries. An awareness-raising campaign would not incur any additional political costs, and it would give local governments the opportunity to weigh in on how the policies are designed and implemented.</p> <p>Second, the Indonesian government should close loopholes in the existing policy. The moratorium has built-in exceptions for "national development projects" including areas for oil and gas extraction, rice and sugarcane farming, palm oil for biofuel, and projects that can claim they contribute to a broad national food and energy security agenda. Rather than granting such exceptions, the government could focus on increasing yields through, for example, selective breeding and better planting techniques.</p> <p>Third, over the long term, Indonesia also needs a more permanent policy for protecting its most sensitive forests and peatlands. Extending the current protections by two years would more than double the total emissions reductions. But permanent forest protections would dramatically reduce emissions in the long term. While this is challenging politically, there are countries willing to devote substantial funds to Indonesia as an economic</p>		
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	<p>alternative to deforestation. For instance, Norway and Indonesia recently renewed their partnership on forest conservation, including \$1bn in funding.</p> <p>http://www.illegal-logging.info/content/reforestation-programs-may-help-reduce-illegal-logging-indonesian-borneo</p> <p><i>Reforestation programs may help reduce illegal logging in Indonesian Borneo - 25 March 2015</i></p> <p>“[...] Indonesia's protected areas and national parks are increasingly threatened by illegal logging, which coincides with a declining national forestry sector. The study focused on Kalimantan's Gunung Palung National Park, which has suffered dramatic forest loss over the past several decades. The park consists of 348 square miles (900 square kilometers) of protected forest and is home to a population of 2,500 orangutans as well as many endangered species such as gibbons, clouded leopards, and eight hornbill species. According to previous research, an estimated 12,400 hectares – 13 percent – of designated park forested area was lost to illegal logging between 1992 and 2004. Global Forest Watch data shows the park lost a further 7,000 hectares of tree cover from 2004 through 2012.”</p> <p>http://www.illegal-logging.info/content/indonesia-deforestation-produces-3rd-highest-emissions-0</p> <p><i>Indonesia deforestation produces 3rd-highest emissions – 23 March 2015</i></p> <p>Indonesia's high deforestation rate, land clearing and fires have led to carbon emissions that rank third-highest in the world, a United Nations (UN) official said on Saturday.</p> <p>Indonesia is experiencing deforestation rates of about 680,000 hectares per year and high rates of biodiversity loss, the UN's Food and Agriculture Organisation representative said.</p>		
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	<p>http://www.illegal-logging.info/content/illegal-logging-rampant-spite-government-initiatives</p> <p><i>Illegal logging rampant in spite of government initiatives – 18 February 2015</i></p> <p>“Despite government plans to eradicate illegal logging that have been in place over the past five years, encroachment on the country’s forests remains rampant, a recent report says.</p> <p>The report, released by a number of NGOs grouped under the Coalition against Forestry Mafia and the Washington-based Forest Trends, said that more than 30 percent of the timber used by the country’s industrial forest sector could be considered illegal.”</p>		
Amnesty International Annual Report: The state of the world’s human rights -information on key human rights issues, including: freedom of expression; international justice; corporate accountability; the death penalty; and reproductive rights	<p>https://www.amnesty.org/en/documents/pol10/0001/2015/en/</p> <p>AMNESTY INTERNATIONAL REPORT 2014/15 - THE STATE OF THE WORLD’S HUMAN RIGHTS</p> <p>Security forces faced persistent allegations of human rights violations, including torture and other ill-treatment. Political activists from the Papua region and Maluku province continued to be arrested and imprisoned for their peaceful political expression and at least 60 prisoners of conscience remained imprisoned. Intimidation and attacks against religious minorities continued. A new Islamic Criminal Code by-law in Aceh province, passed in September, increased offences punishable by caning. There was a lack of progress in ensuring truth, justice and reparations for victims of past human rights violations. No executions were reported.” (p. 182)</p>	Country	
Freedom House http://www.freedomhouse.org/	<p>http://www.freedomhouse.org/report-types/freedom-world#.U-3g5fl_sVc</p> <p>The status of Indonesia on the Freedom in the World index 2018 is ‘partly free’.</p> <p>https://freedomhouse.org/report/freedom-net/freedom-net-2017 The status of Indonesia on the Freedom of the Net 2017 is ‘partly free’.</p>	Country	

	https://freedomhouse.org/report/freedom-press/freedom-press-2017 The status of Indonesia on the Freedom of the press 2017 is 'partly free'.		
Reporters without Borders: Press Freedom Index	https://rsf.org/en/ranking 2018 World Press Freedom Index Indonesia is ranked nr 124 out of 180 countries in the 2018 World Press Freedom Index with a score of 39,68, which ranks it among the countries with limited press freedom in the world. In 2018, 1 journalist was killed in Indonesia. No citizens journalists and media assistants were killed in Indonesia.	Country	
Fund for Peace - Failed States Index of Highest Alert - the Fund for Peace is a US-based non-profit research and educational organization that works to prevent violent conflict and promote security. The Failed States Index is an annual ranking, first published in 2005, of 178 nations based on their levels of stability and capacity http://www.fundforpeace.org/global/?q=cr-10-99-fs In 2014 the FFP changed the name of the Failed State Index to the Fragile State Index: http://ffp.statesindex.org/rankings-2013-sortable	http://fsi.fundforpeace.org/ <i>Fragile States Index 2018</i> Indonesia is ranked 91 out of 178 countries on the failed states index (nr 1 being the most failed state). This ranks Indonesia in the category ' warning '.	Country	
The Global Peace Index. Published by the Institute for Economics & Peace, This index is the world's leading measure of national peacefulness. It ranks 163 nations according to their absence of violence. It's made up of 23 indicators, ranging from a nation's level of military expenditure to its relations with neighbouring countries and the level of respect for human rights. Source: The Guardian: http://economicsandpeace.org/research/iep-indices-data/global-peace-index	http://visionofhumanity.org/app/uploads/2018/06/Global-Peace-Index-2018-2.pdf 2018 Global Peace Index The state of Peace in Indonesia is labelled ' high ' with Indonesia ranking number 55 out of 163 countries with a score of 1.853 (p. 8)	Country	

Additional sources of information (These sources were partly found by Googling the terms '[country]', 'timber', 'conflict', 'illegal logging')	Evidence	Scale of risk assessment	Risk indication
	This is presented under indicator 2.1		
From national CW RA: Info on illegal logging	Not available		
Conclusion on country context: Indonesia scores low to medium on almost all indicators reviewed in this section on the country context, such as in relation to press freedom, peace, governance and absence of corruption. Having this said, the past decade shows a clear tendency towards improvements in the WordBank Governance indicators, such as Regulatory Quality, Rule of Law, and Control of Corruption. Human rights issues include: little progress in ending impunity for past serious human rights violations; abuses by security forces; violation of the rights of religious minorities, arresting peaceful protesters, in particular in Papua and the Molucca's; discriminatory regulations against women and girls and bad treatment of refugees and asylum seekers. It is hopeful that the newly elected president Widodo made commitments on several of the pressing human rights issues he inherited. Indonesia continues to have high rates of illegal logging despite a moratorium to prevent future licensing of forest clearing, a new law on forest damage prevention and a voluntary partnership with the EU on forest law enforcement.			
Indicator 2.1. The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or linked to military control.			
Guidance <ul style="list-style-type: none"> Is the country covered by a UN security ban on exporting timber? Is the country covered by any other international ban on timber export? Are there individuals or entities involved in the forest sector that are facing UN sanctions? 			
Compendium of United Nations Security Council Sanctions Lists http://www.un.org/sc/committees/list_compend.shtml	There is no UN Security Council ban on timber exports from Indonesia.	Country	Low risk
US AID: www.usaid.gov	Indonesia is not covered by any other international ban on timber export.		

Global Witness: www.globalwitness.org	There are no individuals or entities involved in the forest sector in Indonesia that are facing UN sanctions.		
From national CW RA	Not available		
Guidance <ul style="list-style-type: none"> Is the country a source of conflict timber? If so, is it at the country level or only an issue in specific regions? If so – which regions? Is the conflict timber related to specific entities? If so, which entities or types of entities? 			
USAID: www.usaid.gov Conflict Timber is defined by US AID as: - conflict financed or sustained through the harvest and sale of timber (Type 1), - conflict emerging as a result of competition over timber or other forest resources (Type 2) Also check overlap with indicator 2.3	These documents contain no information that leads to a 'specified risk' indication after searching Indonesia + 'conflict timber'.	Country	Low risk
Global Witness: www.globalwitness.org/campaigns/environment/forests	These documents contain no information that leads to a 'specified risk' indication after searching Indonesia + 'conflict timber'.	Country	Low risk
Human Rights Watch: http://www.hrw.org/	These documents contain no information that leads to a 'specified risk' indication after searching Indonesia + 'conflict timber'.	Country	Low risk
World Resources Institute: Governance of Forests Initiative Indicator Framework (Version 1) http://pdf.wri.org/working_papers/gfi_tenure_indicators_sep09.pdf	http://www.profor.info/node/1998 This work resulted in a publication: Assessing and Monitoring Forest Governance: A user's guide to a diagnostic tool (available on this page)	Country	Low risk

Now: PROFOR http://www.profor.info/node/1998	published by PROFOR in June 2012. This tool has not yet been applied to Indonesia.		
Amnesty International Annual Report: The state of the world's human rights -information on key human rights issues, including: freedom of expression; international justice; corporate accountability; the death penalty; and reproductive rights http://www.amnesty.org	These documents contain no information that leads to a 'specified risk' indication after searching Indonesia + 'conflict timber'.	Country	Low risk
World Bank: Worldwide Governance Indicators - the WGI report aggregate and individual governance indicators for over 200 countries (most recently for 1996–2016), for six dimensions of governance: Voice and Accountability; Political Stability and Absence of Violence; Government Effectiveness; Regulatory Quality; Rule of Law; Control of Corruption http://info.worldbank.org/governance/wgi/index.aspx#home Use indicator 'Political stability and Absence of violence' specific for indicator 2.1	http://info.worldbank.org/governance/wgi/index.aspx#reports In 2016 (latest available year) Indonesia scores 33.33 on the indicator for Political Stability and Absence of Violence/Terrorism (the scores range from 0 (lowest rank) to 100 (highest rank) with higher values corresponding to better outcomes).	Country	Specified risk
Greenpeace: www.greenpeace.org Search for 'conflict timber [country]'	These documents contain no information that leads to a 'specified risk' indication after searching Indonesia + 'conflict timber'.	Country	Low risk
CIFOR: http://www.cifor.org/ ; http://www.cifor.org/publications/Corporate/FactSheet/forests_conflict.htm	This document is outdated and is not used anymore for this CNRA.		
Google the terms '[country]' and one of following terms or in combination 'conflict timber', 'illegal logging'	<i>Asia Pacific Viewpoint</i> (This source is useful as historic overview) http://www.umsi.edu/~naumannj/professional%20geography%20articles/Blood ,		

	<p>%20timber,%20and%20the%20state%20in%20West%20Kalimantan,%20Indonesia.pdf</p> <p><i>Blood, timber, and the state in West Kalimantan, Indonesia</i> by Gerry van Klinken, <i>Asia Pacific Viewpoint</i>, Vol. 49, No. 1, April 2008</p> <p>"Indonesia experienced many violent local conflicts after the end of the authoritarian New Order in 1998, peaking in 1999–2000. Most in the news overseas were the separatist conflicts in Aceh, East Timor, and to a lesser extent Papua. Six major episodes of communal violence in the same period attracted less attention abroad, yet they claimed about 10 000 victims, compared with 9000 for the separatist conflicts (Varshney et al., 2004; van Klinken, 2007: 4–5).² Three took place in Sulawesi and Maluku and were essentially two-sided civil wars, mostly between Christians and Muslims. The other three occurred in Kalimantan and are best seen as one-sided pogroms against an immigrant minority, namely the Madurese. In none was the government or an insurgent a direct protagonist. This paper examines the links with timber resources in two of the three Kalimantan pogroms. Both took place in West Kalimantan. One was perpetrated by ethnic Dayaks in 1996–1997 and another mainly by ethnic Malays in 1999" (p. 35).</p> <p>ILLEGAL LOGGING PORTAL</p> <p>http://www.illegal-logging.info/regions/indonesia</p> <p>"Indonesia</p> <p>52% of Indonesia's land is covered by forests, half of which are primary forests (FAO 2010).</p> <p>[...] Illegal logging poses a serious threat to these forests, although recent research carried out by Chatham House found that the levels of illegal logging have fallen by 75% since 2000 (Chatham House 2010). The impact of illegal production nevertheless remains considerable, representing around 40% of total production (Chatham House 2010). Illegality in Indonesia's forest sector</p>	Country	Specified risk
		Country	Specified risk on illegal logging

	<p>has long been the focus of much NGO investigating, and this attention has played an important role in tackling the problem (Chatham House 2010). Over recent years, much of this attention has focused on oil palm production in Indonesia and the negative impact of peatland clearing on the state of the country's forests (Greenpeace 2013, Eyes on the Forest 2012)."</p> <p><u>Forest Trends:</u></p> <p><u>http://www.forest-trends.org/documents/files/doc_4843.pdf</u></p> <p><i>Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1- February 2015</i></p> <p>"However, the analyses in this paper — which rely on government and forest-industry data only — indicate that large operators are consuming more wood than the MoF reported as being legally produced (in 2014, there was a gap of more than 30 percent). Presumably this gap continues to be met by an unregulated, and therefore illegal, wood supply. The analyses also suggest, however, that the MoF underestimates the scale of the problem. For example, the pulp industry itself (Indonesian Pulp and Paper Association [Asosiasi Pulp dan Kertas Indonesia (APKI)]) consistently reported almost twice the production levels as the MoF. Moreover, timber use by small operators is not reported fully by the MoF, nor does the MoF estimate losses due to smuggling — both of which are likely substantial." (p. iii)</p> <p>"The situation in natural forests is as alarming as the status of plantations. The analyses in this paper indicate that the majority of timber reportedly harvested from natural forests now comes from clear-cuts as opposed to selectively harvested forestry concessions.</p> <p>[...] In 2013, both the dominant oil palm company (Wilmar International, the world's largest oil palm trader) and the largest pulp company in Indonesia (Asia Pulp & Paper [APP]) committed to halt deforestation of highcarbon stock (HCS) and high conservation value (HCV) forests and peatlands. While the analyses here make no evaluation of individual companies' ability to meet such</p>	Country	Specified risk on illegal logging
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	<p>commitments, it is clear that the forest industry as a whole does not have a sufficient legal supply to meet a goal like that of APP or Wilmar. Indeed, if the pulp sector was to operate at full capacity and if the proposed new mills are built in Sumatra, Kalimantan and Papua, then the gap in the legal supply would grow to more than 59 percent of the total wood used. (p. iv)</p> <p>[...] For example, as the plantation sector grows, social conflicts increase, often sparking violence between communities, forestry operators, and their security forces (which sometimes include both the police and military; Government of Indonesia Joint Fact-Finding Team 2012). In 2012, President Susilo Bambang Yudhoyono's office received reports of 8,495 agrarian conflicts, of which 2,002 were "likely to erupt into violence" (Human Rights Watch 2013)." (p. 4)</p> <p>COUNCIL OF THE EUROPEAN UNION</p> <p>http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%2013708%202013%20INIT</p> <p><i>The EU and Indonesia undertake to combat illegal logging – 30 September 2013</i></p> <p>The EU and Indonesia signed today a voluntary partnership agreement on forest law enforcement, governance and trade in timber products to the EU (FLEGT) to fight illegal logging (11769/1/13 REV1).</p>	Country	Low risk on illegal logging
From national CW RA	Not available		
Comment Joern Struwe (email 06-11-2015)	Low risk for indicator 2.1 – In my understanding armed forces (military/police) are potentially involved in high-level corruption activities relating to the forest industry, and as such are likely to receive revenue from forest management activities (although hard to prove...). Whenever these institutions are involved in systematic and violent human rights abuses, e.g. in Papua, Timor, Maluku	Country	Low risk

	<p>Islands, couldn't this be classified as violent armed conflict Type I? I guess my question is whether it might make sense to classify some of the eastern parts of Indonesia rather as 'specified risk'.</p> <p>Response from consultant: As no proof was found that timber revenues are used for violent armed conflict it cannot be concluded as a specified risk. However, conflicts with indigenous and traditional peoples still lead to a specified risk designation under indicator 2.3.</p>		
<p>Comments from Public Consultation Meeting on draft of Centralized Risk Assessment for Indonesia FSC-CNRA-ID V1-0 EN DRAFT</p> <p>Bogor, 2 Desember 2016</p>	<ul style="list-style-type: none"> - Indicator 2.1 talking about military regime. Indonesia is not military regime, then classified as Low Risk. But in Papua the involvement of military is still high. - In the past, there were many conflicts between company and community which involved military/police. Can it be classified as military regime? - How about the owner which is military/retired military, which the relationship with military still high? How about if the owner is military, but comply with standard? - The context is the violence which is happened to resolve the conflict, which breach human rights or traditional rights. Involving military is OK, as long as without violence or intimidation. <p>Response from consultant: As no proof was found that timber revenues are used for violent armed conflict it cannot be concluded as a specified risk. However, conflicts with indigenous and traditional peoples still lead to a specified risk designation under indicator 2.3.</p>		
<p>Conclusion on indicator 2.1:</p> <p>Although information was found on very high levels of illegal logging in Indonesia no information at all was found indicating that timber, be it legal or illegal, "has been traded at some point in the chain of custody by armed groups, be they rebel factions or regular soldiers, or by a civilian administration involved in armed conflict or its representatives, either to perpetuate conflict or take advantage of conflict situations for personal gain".</p> <p>The following 'low risk thresholds' apply:</p>		Country	Low risk

(1) The area under assessment is not a source of conflict timber ¹⁹ ; AND (2) The country is not covered by a UN security ban on exporting timber; AND (3) The country is not covered by any other international ban on timber export; AND (4) Operators in the area under assessment are not involved in conflict timber supply/trade; AND (5) Other available evidence does not challenge 'low risk' designation.			
Indicator 2.2. Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work. Guidance <ul style="list-style-type: none"> • Are the social rights covered by the relevant legislation and enforced in the country or area concerned? (refer to category 1) • Are rights like freedom of association and collective bargaining upheld? • Is there evidence confirming absence of compulsory and/or forced labour? • Is there evidence confirming absence of discrimination in respect of employment and/or occupation, and/or gender? • Is there evidence confirming absence of child labour? • Is the country signatory to the relevant ILO Conventions? • Is there evidence that any groups (including women) feel adequately protected related to the rights mentioned above? • Are any violations of labour rights limited to specific sectors? 			
general sources from FSC-PRO-60-002a V1-0 EN	information found and specific sources	scale of risk assessment	risk indication
Status of ratification of fundamental ILO conventions: http://www.ilo.org/dyn/normlex/en/f?p=1000:11001:0::NO:: or use: ILO Core Conventions Database: http://www.ilo.org/ilolex/english/docs/declworld.htm	http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102938 Indonesia has ratified all eight ILO Core Conventions. All ratified conventions have the status: 'In force'.	Country	Low risk

¹⁹ "Conflict timber" limited to include "timber that has been traded at some point in the chain of custody by armed groups, be they rebel factions or regular soldiers, or by a civilian administration involved in armed conflict or its representatives, either to perpetuate conflict or take advantage of conflict situations for personal gain - conflict timber is not necessarily illegal (see FSC-PRO-60-002a).

<p>C29 Forced Labour Convention, 1930</p> <p>C87 Freedom of Association and Protection of the Right to Organise Convention, 1948</p> <p>C98 Right to Organise and Collective Bargaining Convention, 1949</p> <p>C100 Equal Remuneration Convention, 1951</p> <p>C105 Abolition of Forced Labour Convention, 1957</p> <p>C111 Discrimination (Employment and Occupation) Convention, 1958</p> <p>C138 Minimum Age Convention, 1973</p> <p>C182 Worst Forms of Child Labour Convention, 1999</p>	<p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3150542:NO</p> <p><i>Direct Request (CEACR) - adopted 2013, published 103rd ILC session (2014)</i></p> <p><i>Equal Remuneration Convention, 1951 (No. 100) - Indonesia (Ratification: 1958)</i></p> <p>“Article 2. Discriminatory provisions. The Committee notes the Government’s indication that Decree No. 37 of 1967, which was amended by Government Regulation No. 24 of 1969, was enacted when the State Owned Plantation and the Limited Liability Plantation Company (PNP–PTP) were still under the Department of Agriculture. However, the PNP–PTP are currently under the Ministry of State Owned Enterprise and the Regulation has been declared null and void. <i>The Committee asks the Government to indicate whether any measures have been taken to revise or repeal Decree No. 418/KPTS/EKKU/5/1981, which also provided for disparate treatment between men and women in relation to the payment of employment-related benefits.</i></p> <p>[...] The Committee draws attention to the <i>tendency to set lower minimum wages in sectors predominantly employing women</i> and that <i>rates for sectorial minimum wages should be fixed free from gender bias</i> (see General Survey on fundamental Conventions, 2012, paragraphs 682–683). <i>The Committee asks the Government to provide information on any steps taken to promote the use of objective job evaluation methods and the Guidelines on Gender Neutral Pay Equity in the context of bipartite negotiations on minimum wage rates for the different sectors. Recalling Decree No. 107 of 2004, the Committee asks the Government to provide information on any recommendations made by the National Wage Council to ensure the application of the principle of equal remuneration for men and women for work of equal value in remuneration policies.</i></p> <p>Article 3. Objective job evaluation. The Committee notes with interest that the Ministry of Manpower and Transmigration has worked with the ILO to develop the <i>“Step-by-step gender neutral pay equity guidelines for employers in</i></p>	Country	Specified risk for discrimination of women in the labour market
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	<p>Indonesia", and that in this context consultations and capacity-building workshops have been organized to raise awareness about the concepts and principles of pay equity and methods for objective job evaluation.</p> <p>Parts III and IV of the report form. Enforcement. The Committee has been concerned about the absence in the Government's report of information on cases of wage discrimination based on sex. The Committee notes the training activities conducted with labour inspectors and the drafting of a training manual on the promotion of gender equality and non-discrimination for the Indonesian labour inspectorate, and refers in this regard to its comments on the Discrimination (Employment and Occupation) Convention, 1958 (No. 111)."</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3150538:NO</p> <p><i>Observation (CEACR) - adopted 2013, published 103rd ILC session (2014)</i></p> <p><i>Equal Remuneration Convention, 1951 (No. 100) - Indonesia (Ratification: 1958)</i></p> <p>"Gender wage gap and occupational segregation. The Committee recalls the wide gender wage gap noted in 2011 in the agriculture, forestry, hunting and fishing sector (48.4 per cent) and in the mining and quarrying sector (44.3 per cent) and the persistent occupational segregation with women being under-represented in higher paying jobs and senior management positions. The Committee notes from the ILO "Labour and social trends report 2013: Reinforcing the role of decent work in equitable growth" that there continues to be a discrepancy between the average nominal wages for men and women across all educational levels. The gender wage gap is particularly high among employees with a low level of education (35.54 per cent for those not completing primary school and 36.42 per cent for those completing primary school) as well as those with tertiary education (33.94 per cent for those with a university education). The report indicates that while some of the gap can be explained, part of the unexplained gap may suggest discrimination on the basis of sex.</p>	Country	Specified risk for gender wage gap
		Country	Specified risk for discrimination of

	<p>Article 1(b) of the Convention. Equal remuneration for work of equal value. Legislation. For a number of years, the Committee has been drawing the Government's attention to the need to review or amend the Manpower Act (No. 13/2003) which only contains a general equal opportunity provision (section 5) and a general equal treatment provision (section 6), and in this regard provides less protection than the previous Manpower Act of 1997. Section 3 of Government Regulation No. 8 of 1981 concerning remuneration protection also limits the protection against discrimination in remuneration by the employer to equal work performed by men and women. The Committee recalls that these provisions, while important, are not sufficient to give effect to the Convention, as they do not include the concept of "work of equal value" (see General Survey on fundamental Conventions, 2012, paragraphs 673–679)."</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3150534:NO</p> <p><i>Observation (CEACR) - adopted 2013, published 103rd ILC session (2014)</i></p> <p><i>Discrimination (Employment and Occupation) Convention, 1958 (No. 111) - Indonesia (Ratification: 1999)</i></p> <p>"Equality of opportunity between men and women. The Committee notes that according to the labour force survey of the National Statistics Bureau, in May 2013, the labour force participation of women was 53.26 per cent while the labour force participation of men reached 85.31 per cent. Informal employment for women reached 40.1 per cent, and of those women who work, unpaid workers represented 30.11 per cent in May 2013. The Committee notes from the data provided by the Government that the participation rate of women in various economic sectors decreased from 39.2 per cent in February 2011 to 37.66 per cent in August 2012. Women also continue to be concentrated in agriculture, forestry, hunting and fishing (37 per cent); processing industries (41.5 per cent); wholesale, retail, restaurant and hotel (50.1 per cent); and social services (46.78 per cent). Women continue to be underrepresented in leadership and management positions (16.31 per cent), and the Committee</p>	Country	<p>women in the labour market</p> <p>Specified risk for discrimination of women in</p>
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	<p>notes that informal employment is high in those sectors in which women are highly represented, in particular the agriculture, forestry, hunting and fishing sector and the wholesale, retail, restaurant and hotel sector.”</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3150531:NO</p> <p><i>Direct Request (CEACR) - adopted 2013, published 103rd ILC session (2014)</i></p> <p><i>Discrimination (Employment and Occupation) Convention, 1958 (No. 111) - Indonesia (Ratification: 1999)</i></p> <p>“Discrimination based on political opinion. The Committee recalls its previous comments regarding the recruitment of civil servants, Government Regulation No. 98/2000 of 10 November 2000, Regulation No. 5/1999 and Regulation No. 37/2004 which provide for the dismissal of civil servants upon becoming members or leaders of political parties, and the Government’s explanations in this regard. The Committee notes that the Government merely reiterates that the provisions of Regulations Nos 98/2000 and 37/2004 cannot be amended as they are a result of national agreements aimed at ensuring the political neutrality of public servants, and recalls that, under the Convention, protection against discrimination based on political opinion extends to membership in political organizations or parties.</p> <p>National equality policy with respect to race, colour and national extraction. The Committee recalls Act No. 40 of 2008 concerning the elimination of racial and ethnic discrimination under which the National Human Rights Commission is responsible for supervising efforts aimed at eliminating all forms of racial and ethnic discrimination, and notes the absence in the Government’s report of any information on its practical application.</p> <p>[...] Affirmative action. The Committee notes that sections 62(2) and (3) of the Special Autonomy Law for Papua provide for affirmative action to support indigenous Papuans’ access to employment, including in the judiciary, where</p>	Country	the labour market
		Country	Specified risk for discrimination on political opinion
		Papua	Specified risk on racial and ethnic discrimination Low risk on discrimination in the

	<p>they should have priority to be appointed as judge or prosecutor in Papua province.”</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3079578:NO</p> <p>Direct Request (CEACR) - adopted 2012, published 102nd ILC session (2013) Abolition of Forced Labour Convention, 1957 (No. 105) - Indonesia (Ratification: 1999)</p> <p>“Article 1(d). Sanctions involving compulsory labour as a punishment for having participated in strikes. Referring to its comments addressed to the Government under the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the Committee notes that section 186 of the Manpower Act of 2003 provides for a penalty of imprisonment (including compulsory labour) of a minimum of one month and a maximum of four years for violation of sections 137 and 138(1), which relate to the undertaking of strikes.”</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3075822:NO</p> <p>Direct Request (CEACR) - adopted 2012, published 102nd ILC session (2013) Minimum Age Convention, 1973 (No. 138) - Indonesia (Ratification: 1999)</p> <p>“Article 7 of the Convention. Light work. The Committee previously noted that section 69(1) of the Manpower Act allows the employment of children between 13–15 years of age for light work as long as the job does not stunt or disrupt their physical, mental and social development. Section 69(2) of the Manpower Act further provides that entrepreneurs who employ children in light work may not require them to work longer than three hours a day, may only engage children during the day without disturbing their schooling and must meet their occupational safety and health requirements. However, the Committee also</p>	Country	labour market Specified risk for freedom of association and protection of the right to organise
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	<p>noted the information in Indonesia Child Labour Survey (2009) that approximately 52 per cent of working children aged 13–14 years engaged in work that did not constitute light work, amounting to approximately 321,200 children of light work age performing non-light work activities. The Committee requested information on measures taken to ensure that children aged 13–14 are only engaged in light work activities.”</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3075825:NO</p> <p><i>Observation (CEACR) - adopted 2012, published 102nd ILC session (2013)</i></p> <p><i>Minimum Age Convention, 1973 (No. 138) - Indonesia (Ratification: 1999)</i></p> <p>“Article 1 of the Convention and Part V of the report form. National policy and the application of the Convention in practice. The Committee previously noted the information in the <i>Indonesia Child Labour Survey (2009)</i> that there were approximately 1.76 million children engaged in prohibited child labour in Indonesia (defined as working children between the ages of 5–12, children aged 13–14 engaged in non-light work activities, and children between 15–18 years engaged in hazardous work). Most were employed in agriculture, including forestry, hunting and fishery (57 per cent of all working children aged 5–17). The Survey further indicated that while most working children still attended school, 20.7 per cent of persons under the age of 18 worked for more than 40 hours a week. The Committee requested information on measures taken to ensure that children under the minimum age were not engaged in child labour.</p> <p>[...] Article 2(1). Scope of application. 1. Informal economy. The Committee previously noted the indication of the International Trade Union Confederation (ITUC) that child labour was widespread in Indonesia, taking place mostly in informal, unregulated activities, such as street vending and in the agricultural and domestic sectors. The Committee also noted that Act No. 13 of 2003 (Manpower Act) excluded from its application children who are engaged in self-employment or working without a clear wage relationship. It further noted the information from the <i>Indonesia Child Labour Survey Report 2009</i>, that out of all</p>	Country	Specified risk for child labour
		Country	Specified risk for child labour
		Country	Specified risk for child labour

	<p>working children between the ages of 5–12, 12.7 per cent were self-employed, and 82.5 per cent were unpaid family workers. The survey further indicated that only 4.8 per cent of working children between the ages of 5–12 (and only 12.1 per cent of children aged 13–14) were working as “employees”, and therefore within the scope of application of the Manpower Act. However, the Committee noted that section 75 of the Manpower Act stipulates that the Government is under an obligation to make efforts to overcome problems concerning children who work outside of an employment relationship, and that these efforts should be specified with a government regulation. [...]The Committee must therefore once again express its concern that the vast majority of children working under the minimum age do not benefit from the protection of the Manpower Act.”</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3076113:NO</p> <p><i>Direct Request (CEACR) - adopted 2012, published 102nd ILC session (2013)</i></p> <p><i>Worst Forms of Child Labour Convention, 1999 (No. 182)</i> - Indonesia (Ratification: 2000)</p> <p>“[...] However, the Committee also noted that the Indonesia Child Labour Survey (2009) indicated that approximately 20.7 per cent of children between the ages of 5 and 17 worked for more than 40 hours a week. The Survey also highlighted that approximately 8 per cent of children between the ages of 5 and 17 worked at places such as street or market stalls and traffic lights, which were identified in the Survey as unsafe places to work.</p> <p>[...] While welcoming the measures taken by the Government, the Committee notes the information in the 2011 UNESCO Global Monitoring Report on Education For All that there remained approximately 312,000 out of school children of primary school age, and 1,800,000 out of school children of secondary school age.”</p>	Country	Specified risk for child labour
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		Country	Specified risk for the right to strike

	<p>demonstrations and police involvement in strike situations, including in one case of recourse to firing that led to the death of two strikers. The Committee notes that the Government only reiterates in connection with the police role in strikes that it has been regulated in Kapolri Regulation No. 1/2005 (Guidelines on the conduct of the Indonesian Police to ensure law enforcement and order in industrial disputes).”</p> <p>“[...] Article 4. Dissolution and suspension of organizations by administrative authority. In its previous comments, the Committee had noted that if trade union officials violate either section 21 or 31 of Trade Union/Labour Union Act No. 21 of 2000 – by either failing to inform the Government of any changes in the union's constitution or by-laws within 30 days or failing to report any financial assistance coming from overseas sources – serious sanctions can be imposed under section 42 of the Trade Union/Labour Union Act, namely, the revocation and loss of trade union rights or suspension. Considering that such sanctions are disproportionate, the Committee requested the Government to indicate the measures taken or contemplated so as to repeal the reference to sections 21 and 31 in section 42 of the Trade Union/Labour Union Act. The Committee also requested the Government to indicate the measures taken or contemplated so as to ensure that organizations affected by measures of dissolution or suspension by the administrative authority have a right of appeal to an independent and impartial judicial body, and that such administrative decisions do not take effect until that body issues a final decision.”</p> <p>http://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:2698954:NO</p> <p><i>Observation (CEACR) - adopted 2011, published 101st ILC session (2012)</i></p> <p><i>Right to Organise and Collective Bargaining Convention, 1949 (No. 98) - Indonesia (Ratification: 1957)</i></p> <p>“[...] Moreover, the Committee notes the comments made by the International Trade Union Confederation (ITUC) in a communication dated 4 August 2011,</p>	Country	Specified risk for freedom of association
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	<p>concerning in particular anti-union dismissals of union leaders and members, as well as the creation of yellow unions.</p> <p>It further notes the conclusions and recommendations of the Committee on Freedom of Association (Case No. 2737, 358th Report, November 2010), in which the Committee recalls: (1) that on a number of occasions it examined complaints of anti-union discrimination in Indonesia and has considered that the prohibition against anti-union discrimination in Act No. 21 of 2000 is insufficient; and (2) that while the Act contains a general prohibition in article 28 accompanied by dissuasive sanctions in article 43, it does not provide any procedure by which workers can seek redress. The Committee on Freedom of Association urged the Government to take steps, in full consultation with the social partners concerned, to amend its legislation to ensure comprehensive protection against anti-union discrimination in the future, providing for swift recourse to mechanisms that may impose sufficiently dissuasive sanctions against such acts.</p> <p>The Committee concludes, from the Government's report, that existing measures to ensure effective and rapid protection against acts of anti-union discrimination and employer interference in practice only consist in investigations conducted by an administrative authority. Moreover, the Government does not indicate in its report that dissuasive sanctions against such acts may be imposed.</p>	Country	Specified risk for freedom of association
	<p>Article 2. Protection against acts of interference. The Committee's previous comments concerned the need to amend section 122 of the Manpower Act so as to discontinue the presence of the employer during a voting procedure held in order to determine which trade union shall have the right to represent the workers in an enterprise. The Committee notes that the Government once again indicates that employers and the Government are present only as witnesses during voting and have no effect on the voting by trade unions and workers and that it has therefore not given any consideration to a possible amendment of section 122 of the Manpower Act. Recalling the need to ensure adequate protection against acts of interference in practice, the Committee reiterates its previous comments and requests the Government to indicate in</p>	Country	Specified risk for freedom of association

	<p>its next report the steps taken to amend section 122 of the Manpower Act so as to suppress the presence of the employer during voting procedures.</p> <p>Article 4. Promotion of collective bargaining. In its previous comments, the Committee had requested the Government to amend sections 5, 14 and 25 of Act No. 2 of 2004 concerning industrial relations dispute settlement, which enables either of the parties to an industrial dispute to file a legal petition to the Industrial Relations Court for final settlement of the dispute if conciliation or mediation failed. The Committee notes that the Government considers that Act No. 2 of 2004 only defines the existence of voluntary arbitration, rather than compulsory arbitration. The Committee observes, however, that Act No. 2 of 2004 refers both to voluntary arbitration and, in sections 5, 14 and 25, to compulsory arbitration by allowing one of the parties to a dispute to file a petition to the Industrial Relations Court. Noting that the ability of one or other of the parties to a dispute, including when there is no arbitration request from the parties, to refer the dispute to the Court constitutes compulsory arbitration, the Committee recalls that compulsory arbitration at the initiative of one party to the dispute cannot be considered to promote voluntary collective bargaining.</p> <p>Requirements for the exercise of collective bargaining. In its previous comments, the Committee noted that, under section 119 of the Manpower Act, in order to negotiate a collective agreement, a union must have membership equal to more than 50 per cent of the total workforce in the enterprise or receive more than 50 per cent support in a vote of all the enterprise's workers on its demands. The Committee noted that unions not attaining 50 per cent support in such a vote could only engage in collective bargaining after a period of six months is passed since the vote. The Committee notes the Government's indication that this issue is under review. <i>The Committee is therefore bound to reiterate that it considers that these provisions render the exercise of collective bargaining difficult for these unions and once again requests the Government to take the necessary measures to repeal the requirement for a delay of six months before which minority unions may bargain collectively.</i></p> <p>The Committee also notes that the Government indicates that collective agreements must be concluded within 30 days after the beginning of negotiations. In this regard, the Committee wishes to recall that the parties</p>	Country	Specified risk for collective bargaining
		Country	Specified risk for

	<p>should be able to continue the negotiation of a collective agreement, if they so wish, even after this delay has expired. Furthermore, in case a collective agreement already exists, the parties should be able to start the negotiations of a future agreement as early as they wish before the end of the current one.</p> <p><i>The Committee requests the Government to take the necessary measures to ensure that these principles concerning the free and voluntary exercise of collective bargaining are applied and to provide information on any developments in this regard."</i></p>		collective bargaining
<p>ILO Declaration on Fundamental Principles and Rights at Work. Country reports.</p> <p>http://www.ilo.org/declaration/lang--en/index.htm</p> <p>Source of several reports. Search for 'racial discrimination', 'child labour', 'forced labour', 'gender equality', 'freedom of association'</p>	<p>http://www.ilo.org/jakarta/whatwedo/eventsandmeetings/WCMS_221194/lang--en/index.htm</p> <p><i>Capacity Building Training Workshop for the Equal Employment Opportunity Task Force (September 17, 2013)</i></p> <p>"Background</p> <p>The Indonesian Manpower Act, 2003 provides a foundation for the protection of all workers in guaranteeing equal opportunity in hiring and equal treatment without discrimination by employers. In addition, the Act concerning the Elimination of Racial and Ethnic Discrimination, 2008 and the Human Rights Act, 1999 also provide protection against discrimination. In 2004, Equal Employment Opportunity (EEO) Guidelines for the private sector were developed as a result of consultations between the Ministry of Manpower and Transmigration (MOMT), trade unions, and the main employers' organization (APINDO).</p> <p>The EEO Guidelines, which cover all forms of discrimination but focus especially on gender-based discrimination, are intended to give effect to ILO's Equal Remuneration Convention, 1951 (No.100) and Discrimination (Employment and Occupation) Convention, 1958 (No.111), and to assist with implementation of the Manpower Act. Notwithstanding the legislative developments and practical guidelines, some legislative gaps remain, including the lack of clarity as to the specific grounds covered and as to whether effective protection is provided under the Manpower Act against direct and indirect discrimination in accordance with Convention No. 111. With respect to Convention No. 100, current legislation fails to provide full legislative</p>	Country	Specified risk for discrimination in the labour market

	<p>expression to the principle of equal remuneration for men and women for work of equal value, and discriminatory provisions appear to persist with respect to the application of the principle to additional allowances.”</p> <p>http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-jakarta/documents/publication/wcms_160835.pdf</p> <p><i>REVIEW ON LEGISLATIONS, POLICIES AND PROGRAMS FOR THE ELIMINATION OF CHILD LABOR IN INDONESIA – May 2011</i></p> <p>“An official statistics on working children and child labor is available through a National Survey conducted by BPS in 2009. The statistics reveal that there were 4,528,400 (2,612,600 males and 1,915,800 females) working children. Among them 1,755,300 (977,1 males and 778,2 females) were considered as child laborers working in the worst form (WFCL). For the past ten years we do not observe significant change (reduction) in the absolute number of children. A critical review of the current statistics, however, suggests that the existing statistics may underestimate the real magnitude of the problem. Moreover, on the gender dimension, the data missed the regional (urban/rural) context of working children. Overall, the data do not inform much about the situation and conditions of WFCL aside from the number of working hours and the sectors in which they were employed.”</p> <p>“Since 2003 a number of relevant laws were enacted to fill in the gap of national response in protecting women and children (domestic violence, migrant workers, trafficking in person, and pornography). Unfortunately, however, Law No. 13 year 2003 failed to capture the mandate of both ILO Convention 138 and 182 as this legislation set the minimum age at 13-15 years old and did not explain and provide examples of light works. In addition, this law provides exception when children work in the family business and does not have any provisions for children age 16-17 years old.”</p>	Country	Specified risk for equal remuneration
		Country	Specified risk for child labour
		Country	Specified risk for child labour

	http://www.ilo.org/jakarta/areasofwork/child-labour/lang--en/index.htm <i>Child labour in Indonesia - September 3, 2015</i> <p>“Indonesia is the fourth most populous country in the world, with a population approaching 220 million. Almost 30 per cent of this population is below the age of 15. While significant progress has been made in expanding access to education, more than 4 million children of junior secondary school age do not attend school. Many children enter the workforce at an early age, and many are vulnerable to exploitation in the worst forms of child labour. It is estimated that there are 3.2 million children between the ages of 10 – 17 years old in Indonesia engaged in employment with some involved in the worst forms of child labour.”</p>	Country	Specified risk for child labour
	http://www.ilo.org/jakarta/areasofwork/equality-and-discrimination/lang--en/index.htm <i>Equality and discrimination in Indonesia - September 3, 2015</i> <p>“Gender discrimination is one of the underlying factors in the sex-segregated labour market in Indonesia. Various gender issues in the labour sector are faced differently by Indonesian women and men, girls and boys. Gender issues persist for the large proportion of women who are engaged in highly vulnerable work, i.e. in the informal economy, and in the globalized cheap-labour manufacturing sectors; in opportunities for employment, conditions of work and pay; in decision making in the public and private sectors; sexual harassment; access to finance; and lack of protection for internal domestic workers. The ILO is working with its tripartite constituents in Indonesia to promote equal opportunity”</p>	Country	Specified risk for gender discrimination in the labour market
ILO Child Labour Country Dashboard: http://www.ilo.org/ipec/Regionsandcountries/lang--en/index.htm	http://www.ilo.org/ipec/Informationresources/WCMS_IPEC_PUB_26436/lang--en/index.htm <i>Combating child labour through education in Indonesia - A policy brief - 31 March 2015</i>		

	<p>“However there remains a problem of child labour, children who are working below the legal minimum working age for the kind of work they are doing. The most recent national survey on child labour was integrated in the 2009 National Labour Force Survey, Sakernas. It found that some 1.76 million children were in work classed as child labour.”</p> <p>“KEY CHARACTERISTICS OF WORKING CHILDREN IN INDONESIA</p> <ul style="list-style-type: none"> <input type="checkbox"/> 81.4% of all working children reside in rural areas. 65.2% of working children are found in agriculture. <input type="checkbox"/> Working children are mostly unpaid family workers (85.7%) <input type="checkbox"/> There are large differences in children’s employment across provinces with the highest rates of working children in Eastern Indonesia <input type="checkbox"/> Children who work spend on average 15.6 hours per week working. For more than half, work is an activity that is performed every day of the week, it is a part of the daily life of the children. <input type="checkbox"/> Boys account for 55% of all working children 7-15 years old.” <p>[...] A new national policy has also recently been established which sets out a vision of Indonesia to be free of child labour by 2022.”</p>	Country	Specified risk for child labour
<p>Global March Against Child Labour: http://www.globalmarch.org/</p>	<p>http://www.globalmarch.org/content/76-countries-rank-high-child-labour-violations</p> <p><i>76 countries rank high in child labour violations - 2012-06-09</i></p> <p>“A large number of 76 countries have been classified as ‘extremely risky’ in terms of child labour complicity for global companies on the Child Labour Index 2012 as per the recent annual study on human rights violations conducted by UK-based risk analysis firm Maplecroft. [...]The Child Labour Index 2012 also ranks large and emerging economies as being extremely risky. Philippines, Viet Nam, Indonesia, Mexico and BRIC countries, i.e., Brazil, Russia, India and China pose extreme child labour risks to supply chains of companies. As per Maplecroft, the risks that these economies pose to companies are distinct as they form critical links within the multinational supply chains. These economies</p>	Country	Specified risk on child labour

	provide a source for a range of materials/goods that companies use in the supply chains of their products, many of which are tainted with child labour violations. Gold and rubber from Philippines, footwear and oil from Indonesia , coffee and tobacco from Mexico, sugarcane from Brazil and cotton, embroidered textiles, gems from India – these are just some examples from the long list of goods produced in these countries using child labour. "		
Office of the United Nations High Commissioner for Human Rights (OHCHR), Committee on Rights of the Child: http://www.ohchr.org/EN/HRBodies/CRC/Pages/CRCIndex.aspx	http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=CRC%2fC%2fIDN%2fCO%2f3-4&Lang=en <i>Committee on the Rights of the Child - Concluding observations on the combined third and fourth periodic reports of Indonesia. - 10 July 2014</i> "Economic exploitation, including child labour 71. The Committee welcomes the National Plan of Action for the Elimination of the Worst Forms of Child Labour and the Child Labour Reduction Programme. However, the Committee is deeply concerned about the high prevalence of child labour in the State party, which is significantly higher in rural areas than in urban areas. It is particularly concerned about: (a) The large number of children exposed to hazardous conditions or the worst forms of child labour working in mines, offshore fishing, construction sites and quarries, and as domestic workers or sex workers; (b) The absence of provisions on forced labour and of laws regulating the work of children between 16 and 18 years of age; [...] (p. 17)	Country	Specified risk for child labour
ILO Helpdesk for Business on International Labour Standards: http://www.ilo.org/empent/areas/business-helpdesk/lang-en/index.htm	No additional information found.	Country	

<p>Committee on the Elimination of Discrimination against Women http://www.ohchr.org/en/hrbodies/cedaw/pages/cedawindex.aspx</p> <p>(Use the link to 'Key documents' on the left hand side. Go to "observations' and search for country.) (Refer to CW Cat. 1)</p> <p>Or:</p> <p>Right top select country click on CEDAW treaty, click on latest reporting period and select concluding observations</p>	<p>http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=CEDAW%2fC%2fIDN%2fCO%2f6-7&Lang=en</p> <p><i>Concluding observations of the Committee on the Elimination of Discrimination against Women – 7 August 2012</i></p> <p>"Employment</p> <p>37. The Committee is deeply concerned about:</p> <p>(a) The exclusion of domestic workers, a high proportion of whom are women, from the protections afforded to other workers by the Manpower Act of 2003, including on minimum wage, overtime pay, the number of hours worked per day, a weekly day of rest and social security;</p> <p>(b) The delay in adopting the draft law on domestic workers;</p> <p>(c) The lack of accurate data on domestic workers;</p> <p>(d) The persistence of child labour, in particular the situation of girl child domestic workers who work long hours, do not have access to education and may be subjected to violence, and the lack of effective and concrete measures to eliminate this phenomenon." (p. 11)</p>	Country	Specified risk on child labour (as domestic workers)
<p>Human Rights Watch: http://www.hrw.org/</p>	<p>This website contains no additional information that leads to a 'specified risk' indication.</p>	Country	Low risk
<p>Child Labour Index 2014 produced by Maplecroft. http://maplecroft.com/portfolio/new-analysis/2013/10/15/child-labour-risks-increase-china-and-russia-most-progress-shown-south-america-maplecroft-index/</p>	<p>http://maplecroft.com/portfolio/new-analysis/2013/10/15/child-labour-risks-increase-china-and-russia-most-progress-shown-south-america-maplecroft-index/ Indonesia scores 'Extreme risk' on the Child Labour Index 2014.</p>	Country	Specified risk on child labour
<p>http://www.verite.org/Commodities/Timber (useful, specific on timber)</p>	<p>"According to the U.S. Department of Labor (2010), timber is produced with forced labor in Peru, Brazil and Myanmar (Burma)." Indonesia not mentioned.</p>	Country	Low risk for forced labour

<p>The ITUC Global Rights Index ranks 139 countries against 97 internationally recognised indicators to assess where workers' rights are best protected, in law and in practice. The survey provides information on violations of the rights to freedom of association, collective bargaining and strike as defined by ILO Conventions, in particular ILO Convention Nos. 87 and 98 as well as jurisprudence developed by the ILO supervisory mechanisms.</p> <p>http://www.ituc-csi.org/new-ituc-global-rights-index-the?lang=en</p>	<p>file:///C:/Users/n.rojas/Downloads/ituc-global-rights-index-2018-en-final-2.pdf <i>The 2018 ITUC Global rights Index</i></p> <p>Indonesia is classified in the category 5 – No guarantee of rights.</p> <p>Countries with a rating 5: Countries with the rating of 5 are the worst countries in the world to work in. While the legislation may spell out certain rights, workers have effectively no access to these rights and are therefore exposed to autocratic regimes and unfair labour practices.</p> <p>file:///C:/Users/leo2/Downloads/survey_ra_2013_eng_final%20(2).pdf</p> <p><i>ITUC: Countries at risk 2013 violations of trade union rights</i></p> <p>“Police intervention in demonstrations: Mr. Suprpto, one of the leaders of the Konfederasi Serikat Pekerja Indonesia (KSPI) at plant level, was stopped from holding a speech when the police intervened and used rubber bullets against workers who were demonstrating against outsourcing and low wages. Mr. Suprpto, Mr. Yoni Mulyono, and Mr. Gagan Setiawan were hospitalised as a result of the attack.</p> <p>Trade unionists being charged for carrying out legitimate activities:</p> <p>Workers protesting in front of a factory were attacked by a group of unknown persons. When the company security guards did not react, Eddy Irawadi, a union leader, ordered the closure of the production line in order to avoid further attacks. The employer filed a complaint against the union because of the work stoppage.</p> <p>Collective agreements are disrespected: In March 2013, security workers at PT. Tanjungenim Lestari Pulp and Paper (PT TEL) went on strike when PT. Tangkas decided to outsource operations of PT TEL in violation of a valid collective agreement.</p> <p>Anti-union discrimination: In November 2012, management of the paper company PT Kertas Leces in Probolinggo terminated the contract of Djody Soegiharto, coordinator of the department of organising and recruitment at the Federation of Indonesian Pulp and Paper (FSP2KI). In February 2012, management accused him of defamation when he displayed banners at the factory premises demanding the payment of pending salaries and benefits.”</p>	Country	Specified risk for freedom of association, collective bargaining and strike
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Google the terms '[country]' and one of following terms 'violation of labour rights', 'child labour', 'forced labour', 'slave labour', 'discrimination', 'gender gap labour', 'violation of labour union rights' 'violation of freedom of association and collective bargaining'	<p>US Department of Labour</p> <p>http://www.dol.gov/ilab/reports/child-labor/indonesia.htm</p> <p><i>Indonesia, 2014 Findings on the Worst Forms of Child Labor</i></p> <p>"I. Prevalence and Sectoral Distribution of Child Labor</p> <p>Children in Indonesia are involved in child labor, including in agriculture. Children are also engaged in the worst forms of child labor, including in domestic service.(1-3) Data from the 2013 Indonesian Child Profile, published by the Ministry of Women's Empowerment and Child Protection, indicate that there are 3.6 million working children between ages 10 to 17.(3) The report indicates that child labor is predominantly found in rural areas with 12.5 percent of children ages 10 to 17 working, in comparison to 5.9 percent in urban areas.(3) Table 1 provides key indicators on children's work and education in Indonesia.</p> <table><tr><th colspan="2">Table 1. Statistics on Children's Work and Education</th></tr><tr><td>Working children, ages 10 to 14 (% and population):</td><td>3.7 (816,363)</td></tr><tr><td>Working children by sector, ages 10 to 14 (%)</td><td></td></tr><tr><td>Agriculture</td><td>61.6</td></tr><tr><td>Industry</td><td>12.0</td></tr><tr><td>Services</td><td>26.5</td></tr><tr><td>School attendance, ages 10 to 14 (%):</td><td>92.4</td></tr><tr><td>Children combining work and school, ages 10 to 14 (%):</td><td>2.1</td></tr><tr><td>Primary completion rate (%):</td><td>104.5</td></tr></table>	Table 1. Statistics on Children's Work and Education		Working children, ages 10 to 14 (% and population):	3.7 (816,363)	Working children by sector, ages 10 to 14 (%)		Agriculture	61.6	Industry	12.0	Services	26.5	School attendance, ages 10 to 14 (%):	92.4	Children combining work and school, ages 10 to 14 (%):	2.1	Primary completion rate (%):	104.5		
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	<p>Source for primary completion rate: Data from 2012, published by UNESCO Institute for Statistics, 2015.(4)</p> <p>Source for all other data: Understanding Children's Work Project's analysis of statistics from National Labor Force Survey (Sakernas), 2010.(5)</p> <p>Based on a review of available information, Table 2 provides an overview of children's work by sector and activity.</p>																		
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		Domestic service† (3, 10, 16, 19, 29)		
Categorical Worst Forms of Child Labor‡		Used in sale, production, and trafficking of drugs,* sometimes as a result of human trafficking* (15, 30)		
		Domestic service sometimes as a result of human trafficking (31, 32)		
		Commercial sexual exploitation sometimes as a result of human trafficking (10, 15, 19,31-37)		
<p>* Evidence of this activity is limited and/or the extent of the problem is unknown.</p> <p>† Determined by national law or regulation as hazardous and, as such, relevant to Article 3(d) of ILO C. 182.</p> <p>‡ Child labor understood as the worst forms of child labor <i>per se</i> under Article 3(a) — (c) of ILO C. 182.”</p> <p>“Government, ILO, and NGO officials have stated that there are not enough labor inspectors to address the child labor problem in Indonesia adequately, and that labor inspectors are not provided with sufficient resources to carry out labor inspections effectively.(3, 11, 56)”</p> <p><i>Open Democracy</i></p> <p>https://www.opendemocracy.net/max-regus/state-of-silence-indonesia%E2%80%99s-religious-discrimination</p> <p><i>The state of silence: Indonesia’s religious discrimination - 5 August 2014</i></p> <p>“Within Indonesia’s democratic transition, we have witnessed a parallel and unceasing discrimination against religious minority groups. This has reached a critical point in contemporary Indonesia.</p>				
			Country	Specified risk for child labour
			Country	Specified risk of religious

	<p>[...]Because of an absolute isolation from the social and political arena, the experience of religious minority groups in Indonesia reflects their status as a vulnerable minority. A victimhood based on social and political exclusion convergent with militant groups dangerously dictating the political process has severely constricted inclusive policy-making.”</p> <p><i>Human Rights Watch</i></p> <p>http://www.hrw.org/sites/default/files/reports/indonesia0213_ForUpload_0.pdf</p> <p><i>In Religion's Name, Abuses against Religious Minorities in Indonesia – 2013</i></p> <p>[...] “a growing trend of religious intolerance and violence in Indonesia. Targets have included Ahmadis (the Ahmadiyah), Baha'is, Christians, and Shias, among others. There have also been cases of Christians in Christian-majority areas preventing Sunni Muslim mosques from being built. Affected individuals have ranged from people with permits to build houses of worship to those seeking to have their actual religion listed on their ID cards, to children bullied by teachers and other pupils at school.”</p> <p><i>World Economic Forum</i></p> <p>http://reports.weforum.org/global-gender-gap-report-2014/economies/#economy=IDN</p> <p><i>Gender Gap Index 2014</i></p> <p>Indonesia ranks 97 out of 142 countries with a score of 0.672 (0.000 = inequality 1.000 = equality).</p> <p>On wage equality for similar work Indonesia ranks 51 with a score of 0.69</p>	Country	discrimination
		Country	Specified risk of religious discrimination
		Country	Specified risk on gender discrimination

	<p><i>Asian Development Bank; ADB Economics Working Paper Series</i></p> <p>http://www.adb.org/sites/default/files/publication/84120/ewp-404.pdf</p> <p><i>New Evidence on the Gender Wage Gap in Indonesia - September 2014</i></p> <p>“Gender wage gap in Indonesia is mainly due to gender discrimination.” (p. 1)</p> <p>“The source of the gender wage gap could be either at the labor supply (workers) side or at the labor demand side (employers). Among the “gender specific” factors that may influence gender differences in wages, the level of educational attainment is identified as a critical determinant. In particular, men tend to have higher educational attainment and specialize in career-oriented fields of study such as engineering and business, which eventually lead to relatively high earnings. Work experience may also influence the gender wage gap. Women tend to have relatively shorter work experience as they enter and exit the labor market due to family considerations. Also, women anticipate shorter or more discontinuous work lives. They tend to have lower incentives to invest in education or obtain on-the-job training. There might be discriminatory exclusion of women from “male” jobs (e.g., construction work), which results in an excess supply of labor in “female” occupations and depress female wages. According to literature, the gender wage gap could be caused by: (i) hiring or employer’s discrimination (Goldin and Rouse 2000); (ii) choice of entering the labor market due to social expectations (Polachek and Kim 1995); (iii) education, training, and skills (Machin and Puhani 2003, Siddique 2007); (iv) occupational choice (Baker and Fortin 2001); and (v) bearing children (Anderson, Binder, and Krause 2002).” (p. 5-6)</p> <p><i>Asian Development Bank; Asian Development Blog</i></p> <p>http://blogs.adb.org/blog/discrimination-driving-gender-wage-gap-indonesia</p> <p><i>Discrimination driving gender wage gap in Indonesia - 20 June 2014</i></p> <p>“Unfortunately recent evidence from Indonesia suggests that pay parity between the sexes remains some way off. Using the country’s 2010 labor force</p>	Country	Specified risk on gender discrimination
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	<p>survey, we found that gender wage differences remained significant and pervasive —as they are for most of the world.</p> <p>The data shows that female workers monthly real wages were 30.8% lower than those of male workers, with the wage gap slightly wider (31.5%) in urban centers than in rural areas (29.9%). This gap exists even after variables like the number of hours worked, marital status, number of children, the type of work, and industry category are controlled.</p> <p>When we break down the numbers we find that the vast bulk of the wage difference is derived from gender discrimination. The portion of the overall gap of 30.8% due to discrimination is 28.7%, meaning female workers receive 28.7% less than male workers due to gender discrimination. The rest of the gap (2.1%) is explained by non-discriminatory factors like hours worked or educational attainment by female workers. In urban centers, 27.6% of the wage gap is due to gender discrimination, and in rural areas discrimination accounts for 28.9%."</p>	Country	Specified risk on gender discrimination
Additional general sources	Additional specific sources		
	No other resources found		
From national CW RA	Not available		
Conclusion on Indicator 2.2: <ul style="list-style-type: none"> • Not all social rights are covered by the relevant legislation and enforced in Indonesia. The Manpower Act (No. 13/2003) does not include the concept of "work of equal value"; Government Regulation No. 98/2000 of 10 November 2000, Regulation No. 5/1999 and Regulation No. 37/2004 provide for the dismissal of civil servants upon becoming members or leaders of political parties; section 186 of the Manpower Act of 2003 provides for a penalty of imprisonment, which relate to the undertaking of strikes; section 140(2) of Manpower Act No. 13 of 2003 requires that the written notification to be given by workers who intend to stage a strike indicate the ending time of the strike; by either failing to inform the Government of any changes in the union's constitution or by-laws within 30 days or failing to report any financial assistance coming from overseas sources – serious sanctions can be imposed under section 42 of the Trade Union/Labour Union Act, namely, the revocation and loss of trade union rights or suspension; section 122 of the Manpower Act allows for the presence of the employer during a voting procedure held in order to determine which trade union shall have the right to represent the workers in an enterprise; Act No. 2 of 2004, in sections 5, 14 and 25, allows compulsory arbitration at the initiative of one party to the dispute which cannot be considered to promote voluntary collective bargaining; 		Country	Low risk on forced labour Specified risk for freedom of association and collective

<p>lack of clarity as to the specific grounds covered and as to whether effective protection is provided under the Manpower Act against direct and indirect discrimination; Law No. 13 year 2003 set the minimum age at 13-15 years old and does not explain and provide examples of light works;</p> <ul style="list-style-type: none"> • There is systemic violation of ights to freedom of association and collective bargaining. • There is some evidence confirming compulsory and/or forced labour, but no incidents were found in the forestry sector. • There is evidence confirming a high gender wage gap related to discrimination of women in the labour market. • There is evidence confirming that child labour is widespread in Indonesia, including in the forestry sector; approximately 1.76 million children engaged in prohibited child labour in Indonesia (defined as working children between the ages of 5–12, children aged 13–14 engaged in non-light work activities, and children between 15–18 years engaged in hazardous work). Most were employed in agriculture, including forestry, hunting and fishery. There is one source that points to rubber specifically and not to forestry in the broader sense, but many other sources show high numbers of child labour in the country and as there are no (other) sources that specifically roule out the forestry sector, under the precautionary principle we must conclude specified risk for the forestry in the broader sense. • The country is signatory to all 8 fundamental ILO Conventions. • There is evidence that religious minorities including Ahmadis (the Ahmadiyah), Baha'is, Christians, and Shias do not feel adequately protected related to the right to equal opportunity and payment in the labour market. • Violations of labour rights are not limited to specific sectors. <p>Low risk for forced labour. The following 'low risk thresholds' apply, based on the evidence:</p> <p>(11) Applicable legislation for the area under assessment does not cover all ILO Fundamental Principles and Rights at Work but other regulations and/or evidence of their implementation exist. Reports do not lead to conclusions of systematic violations of rights. When labor laws are broken, cases are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.</p> <p>AND</p> <p>(12) Other available evidence do not challenge a 'low risk' designation.</p> <p>Specified risk for freedom of association and collective bargaining, child labour and discrimination in the labour market. The following 'specified risk thresholds' apply, based on the evidence:</p>		<p>bargaining, child labour and discrimination in the labour market</p>
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<p>(13) Applicable legislation for the area under assessment covers all key provisions of ILO Fundamental Principles and Rights at work but the risk assessment for relevant indicators of Category 1 confirms 'specified risk';</p> <p>AND</p> <p>(14) The applicable legislation for the area under assessment contradicts indicator requirement(s);</p> <p>AND</p> <p>(15) There is substantial evidence of widespread violation of key provisions of the ILO Fundamental Principles and Rights at work.</p>			
<p>Indicator 2.3. The rights of Indigenous and Traditional Peoples are upheld.</p> <p>Guidance:</p> <ul style="list-style-type: none"> • Are there Indigenous Peoples (IP), and/or Traditional Peoples (TP) present in the area under assessment? • Are the regulations included in the ILO Convention 169 and is UNDRIP enforced in the area concerned? (refer to category 1) • Is there evidence of violations of legal and customary rights of IP/TP? • Are there any conflicts of substantial magnitude [footnote 6] pertaining to the rights of Indigenous and/or Traditional Peoples and/or local communities with traditional rights? • Are there any recognized laws and/or regulations and/or processes in place to resolve conflicts of substantial magnitude pertaining to TP or IP rights and/or communities with traditional rights? • What evidence can demonstrate the enforcement of the laws and regulations identified above? (refer to category 1) • Is the conflict resolution broadly accepted by affected stakeholders as being fair and equitable? 			
general sources from FSC-PRO-60-002a V1-0 EN		information found and specific sources	scale of risk assessment
ILO Core Conventions Database http://www.ilo.org/ilolex/english/docs/declworld.htm - ILO Convention 169		http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102938 Indonesia did not ratify ILO Convention 169.	Country
Survival International: http://www.survivalinternational.org/		http://www.survivalinternational.org/news/10639	
			Specified risk

	<p>Indonesia. In fact, Indonesia is home to an estimated 50-70 million indigenous and tribal people.</p> <p>In a response to the United Nations Periodic Review, a four-year human rights check-up for all countries, Indonesia said this month, 'The Government of Indonesia supports the promotion and protection of indigenous people worldwide... Indonesia, however, does not recognize the application of the indigenous peoples concept... in the country'."</p>		
Human Rights Watch: http://www.hrw.org/	<p>https://www.hrw.org/world-report/2015</p> <p>"Land Rights</p> <p>The Ministry of Forestry continued in 2014 to include forest lands claimed by indigenous communities within state forest concessions awarded to timber and plantation companies. In May 2013, the Constitutional Court rebuked the ministry for the practice and declared unconstitutional a provision of the 1999 Forestry Law that had enabled it.</p> <p>In October 2014, President Widodo merged the Agriculture Ministry and the National Land Authority into a single ministry and did the same with the Ministry of Forestry and the Ministry of Environment. Activists hope the consolidation will improve efficiency, reduce corruption, and allow for more effective government oversight of land issues." (p. 290-291)</p>	Country	Specified risk for land rights
Amnesty International http://amnesty.org	<p>https://www.amnesty.org/en/documents/asa21/1851/2015/en/</p> <p><i>Indonesia: End mass arbitrary arrests of peaceful protesters in Papua - 10 June 2015</i></p> <p>"Amnesty International calls on the Indonesian authorities to end arbitrary arrests of Papuan political activists solely for exercising their rights to freedom of peaceful assembly and expression in the country's Papua region. Anyone who remains detained solely for the peaceful exercise of their human rights must be immediately and unconditionally released. Hundreds of Papuan activists, mostly members and supporters of the West Papua National Committee (Komite Nasional Papua Barat, KNPB), were arrested after the organization called for a series of peaceful demonstrations. These</p>	Papua	Specified risk for violation of IP rights

	demonstrations were held in May 2015, in support of an application by a Papuan pro-independence umbrella group, the United Liberation Movement for West Papua (ULMWP), to join the Melanesian Spearhead Group (MSG), a sub-Pacific intergovernmental organization.”		
The Indigenous World http://www.iwgia.org/regions	<p>http://www.iwgia.org/iwgia_files_publications_files/0716_THE_INDIGENOUS_ORLD_2015_eb.pdf</p> <p><i>The Indigenous World 2015</i></p> <p>“Indonesia has a population of approximately 250 million. The government recognises 1,128 ethnic groups. The Ministry of Social Affairs identifies some indigenous communities as <i>komunitas adat terpencil</i> (geographically-isolated indigenous communities). However, many more peoples self-identify or are considered by others as indigenous. Recent government Acts and Decrees use the term <i>masyarakat adat</i> to refer to indigenous peoples. The national indigenous peoples’ organisation, Aliansi Masyarakat Adat Nusantara (AMAN), estimates that the number of indigenous peoples in Indonesia falls between 50 and 70 million people.</p> <p>The third amendment to the Indonesian Constitution recognises indigenous peoples’ rights in Article 18b-2. In more recent legislation, there is implicit recognition of some rights of peoples referred to as <i>masyarakat adat</i> or <i>masyarakat hukum adat</i>, including Act No. 5/1960 on Basic Agrarian Regulation, Act No. 39/1999 on Human Rights, and MPR Decree No X/2001 on Agrarian Reform. Act No. 27/2007 on Management of Coastal and Small Islands and Act No. 32/2010 on Environment clearly use the term <i>masyarakat adat</i> and use the working definition of AMAN. The Constitutional Court in May 2013 affirmed the constitutional rights of indigenous peoples to their land and territories, including their collective rights over customary forest.</p> <p>While Indonesia is a signatory to the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), government officials argue that the concept of indigenous peoples is not applicable as almost all Indonesians (with the exception of the ethnic Chinese) are indigenous and thus entitled to the same rights. Consequently, the government has rejected calls for specific needs by groups identifying themselves as indigenous. On 22 December 2014, the</p>	<p>Country</p> <p>Country</p> <p>4.8 million hectare</p>	<p>Low risk on IP rights in forest</p> <p>Specified risk on IP rights</p>

	<p>Ministry of Environment and Forestry agreed to be the trustee of 4.8 million hectares of indigenous maps to be included in the One Map Initiative.” (p. 262)</p>	included in One Map initiative	Low risk on IP rights
	<p>“2014 marked an important transition for Indonesian politics, with President Joko “Jokowi” Widodo assuming office alongside Vice-President Jusuf “JK” Kalla. In his official vision and mission, “Nawa Cita”, Jokowi-JK outlined six main priorities for the protection of indigenous peoples.¹ Jokowi-JK undertook to push for the adoption of the Indigenous Peoples Act (see below), conduct policy reform and establish an independent commission on indigenous peoples. Jokowi-JK’s commitments were unanimously endorsed by the members of the Indigenous Peoples’ Alliance of the Archipelago (AMAN).</p> <p>On 22 October 2014, President Jokowi announced a new cabinet composed of 34 ministries. AMAN welcomed his decision to merge the Ministry of Environment with the Ministry of Forestry to create the Ministry of Environment and Forestry with a commitment to sustainability. AMAN also welcomed the establishment of the Ministry of Agrarian and Spatial Planning as the main entry point for including and recognising indigenous territories.</p>	Country	Low risk on IP rights
	<p>Indeed, with President Jokowi at the helm, there is tremendous hope among indigenous peoples that he will initiate a reconciliation process between the Indonesian state and indigenous peoples. These actions must include, as a matter of urgency, official recognition of the systematic prejudice and injustice that indigenous peoples continue to suffer and immediate release and rehabilitation of indigenous victims of violence and criminalisation. In the medium term, the President must fulfil his commitment to establish a permanent and independent commission on indigenous peoples in order to ensure the full enjoyment of their collective rights as constitutionally afforded them as citizens of Indonesia.</p> <p>At the national level, indigenous peoples continued to engage closely with different government entities and decision-making processes throughout the</p>	Country	Low risk on IP rights

	<p>year in order to push for recognition and protection. Years of effort have resulted in some policy progress here. The status of relevant policy developments during 2014 is provided below: (p. 264)</p> <p>acceptance of indigenous maps</p> <p>In 2014, the government launched the much-anticipated “one-map policy” as stipulated in Law No. 4/2011 on geospatial information, which is aimed at helping to resolve disagreements resulting from the use of different data and maps, which often result in land disputes and overlapping permits for plantation and mining operations. On 22 December, the National REDD+ Agency and the Ministry of Environment and Forestry officially agreed to include 4.8 million hectares of indigenous maps in the One Map Initiative. This is a very important step in helping the government identify and recognise where indigenous peoples live, and to ensure that indigenous peoples are included in decision-making, particularly regarding land allocation and issuance of permits. In cases of permits issued to private companies where the target areas overlap with indigenous territories, a special procedure will apply with regard to indigenous rights. This is particularly important given the current administration’s focus on accelerating the business permit process, particularly that of land allocation.</p> <p>the national initiative on the recognition and protection of indigenous peoples</p> <p>On 1 September 2014, the Indonesian Vice-President launched a National Program for the Recognition and Protection of Indigenous Peoples. The Declaration was signed by nine ministries/institutions. The Program has a number of targets ranging from the establishment of laws and regulations, legal reform, administrative tools, recovery and institutional strengthening of indigenous peoples and local government.</p>	<p>4.8 million hectare in One Map Initiative</p> <p>Country</p>	<p>Low risk on IP rights</p> <p>Low risk on IP rights</p>
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	<p>months after the Constitutional Court ruling, continued to bar indigenous peoples from living in their forests. While legal reform at national level is increasingly recognising and protection indigenous peoples, this progress does not translate into enforcement on the ground. In fact, the majority of law enforcement officers are directly violating reform procedures, often making arrests without warrants and so on. In some cases it appears that these officials even directly position themselves as the protector of companies.” (266-267)</p> <p>[...]the inquiry into violations of indigenous peoples’ rights</p> <p>Indigenous peoples continue to be the victims of systematic land grabbing through various policies, although the most significant threat remains that of the government’s designation of ancestral territories as part of the State Forest Estate, covering approximately 70% of the country. During 2014, the National Commission on Human Rights (Komnas HAM) led a National Inquiry on Indigenous Peoples’ Rights to their Territories in Forest Areas. [...]The inquiry included data and information gathering, study and examination of cases, public hearings and dialogues with government and company officials.</p> <p>Initial findings from the series of regional public hearings show individual and collective human rights violations against indigenous peoples, with indigenous women and children in the most vulnerable position. The problems are wide-ranging and often unresolved, including but not limited to: unclear and overlooked boundaries of indigenous peoples’ territories; overlapping licenses; manipulation of licenses by the government and companies; unresolved legal cases brought against defendants for various forms of violence against, criminalisation of and systematic crimes against indigenous peoples; the bias and consolidated use of military and private security guards by corporations; and a lack of just, thorough and multi-sectoral conflict resolution.” (p. 268)</p>	Country	Specified risk on IP rights
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	<p>the situation in West Papua</p> <p>The end of 2014 was shaken by the fatal shootings of at least five young civilians by the security forces in Paniai District on 8 December 2014. The Indonesian security forces are accused of having opened fire on a crowd of 800 peaceful demonstrators, including women and children. Five protesters were killed and at least 17 others — including elementary school students — were injured, according to a report by Human Rights Watch. The National Police Chief initially denied any involvement on the part of the security forces but the Provincial Papuan Police Chief later deployed an investigation team. The shootings have raised national concerns and, in January 2015, the National Human Rights Commission announced that it had formed a team to conduct an extensive investigation into possible human rights abuses committed in the Paniai shootings.</p> <p>The region of West Papua has never been free from human rights violations. Earlier in the year, on 28-29 November, in Abepura, Papua, a regional public hearing of the National Inquiry into indigenous land rights violations, conducted by the National Human Rights Commission, concluded that natural resource exploitation in Papua had had serious consequences in the form of physical conflicts involving torture; intimidation, environmental degradation and pollution; and consequences for the people's health status, particularly women's reproductive health. They are exposed to chemicals used in the operations of the gold mines and oil palm plantations. The National Commission recommended that the government review the licenses of private corporations in West Papua and also called on the police to develop a rights-based Standard Operating Procedure for dealing particularly with conflicts between indigenous peoples, the government and private corporations. (p. 269)</p>	Papua	Specified risk on human rights violations
		Papua	Specified risk on IP rights
United Nations Special Rapporteur on the rights of indigenous peoples http://www.ohchr.org/en/issues/ipeoples/srindigenouspeoples/pages/sripeoplesindex.aspx	<p>There is no country report on Indonesia from the Special Rapporteur.</p> <p>http://daccess-dds-ny.un.org/doc/UNDOC/GEN/G12/150/17/PDF/G1215017.pdf?OpenElement</p>		

	<p><i>Report of the Working Group on the Universal Periodic Review – Indonesia</i></p> <p>“109.15. Extend an invitation to the Working Group on enforced or involuntary disappearances; Independent Expert on minority issues; Special Rapporteur on the right to food; and the Special Rapporteur on the rights of indigenous peoples in order that they visit Indonesia, particularly Papua (Mexico); [...] 109.36. Ensure the rights of indigenous peoples and local forest dependent peoples in law and practice, in particular regarding their rights to traditional lands, territories and resources (Norway).”</p> <p>http://www.aman.or.id/wp-content/plugins/downloads-manager/upload/Submission-Report-to-Human-Rights-Councils---AMAN-20120121001514.pdf</p> <p><i>Submission Report to Human Rights Council On The Situation of Human Rights and Fundamental Freedom of Indigenous Peoples in Indonesia</i></p> <p><i>Universal Periodic Review Thirteenth Session 21st May - 1st June 2012</i></p> <p><i>Submitted by Aliansi Masyarakat Adat Nusantara/AMAN (Indigenous Peoples Alliance of the Archipelago)-</i></p> <p>“AMAN also highlighted the absence of the Government of Indonesia wishes to invite Special Procedures in particular the UN Special Rapporteur on the Situation of Human Rights and Fundamental Freedom of Indigenous Peoples, to have dialogue on the situation of human rights and fundamental freedom of indigenous peoples in Indonesia.” (p. 5)</p> <p>Indonesia has so far not extended an invitation to the Special Rapporteur on the Rights of Indigenous Peoples to visit Indonesia.</p>		
<p>UN Human Rights Council Universal Periodic Review http://www.ohchr.org/EN/HRBodies/UPR/Pages/Documentation.aspx</p>	<p>http://daccess-dds-ny.un.org/doc/UNDOC/GEN/G12/150/17/PDF/G1215017.pdf?OpenElement</p> <p><i>Report of the Working Group on the Universal Periodic Review – Indonesia</i></p> <p>“109.15. Extend an invitation to the Working Group on enforced or involuntary</p>	Country	Specified risk for IP rights

	<p>disappearances; Independent Expert on minority issues; Special Rapporteur on the right to food; and the Special Rapporteur on the rights of indigenous peoples in order that they visit Indonesia, particularly Papua (Mexico); [...] 109.36. Ensure the rights of indigenous peoples and local forest dependent peoples in law and practice, in particular regarding their rights to traditional lands, territories and resources (Norway)."</p> <p>http://daccess-dds-ny.un.org/doc/UNDOC/GEN/G12/118/12/PDF/G1211812.pdf?OpenElement</p> <p><i>a summary of 32 stakeholders' submissions to the universal periodic review of Indonesia – 9 March 2012</i></p>	Country	Specified risk for IP rights
	<p>"23. JS11 reported that conflicts between indigenous peoples and peasants and palm oil plantation companies were persistent. There were 660 cases in 2010 and around 240 cases in 2009. Criminalisation of those taking part in the conflicts increased from 112 in 2009 to more than 130 people in 2010. The increase in conflicts allegedly resulted from the issuance of rights to cultivate to palm oil plantation companies, allowing the confiscation of peoples' lands."</p>	Country	Specified risk for IP rights
	<p>[...] JS7 stated that on 19 October 2011, military and police forces violently dispersed indigenous participants at the 3rd Papuan People's Congress, a peaceful gathering which had been held at a football field of the Catholic Church in Abepura, Jayapura City, Papua Province. Noting that the new standard operating procedures regarding crowd control allowed for the use of firearms by police against unarmed civilians," (p. 5)</p>	Papua	Specified risk for IP rights
	<p>"7. Right to social security and to an adequate standard of living</p> <p>JS12 estimated that of 31.02 million people living below the poverty line, almost half lived inside and around forest areas. According to JS12, communities that lived in villages inside and around forest areas had been directly affected by forest destruction and had gained little or no benefit from large-scale licensed operations. Likewise, the highly comparable promises propagated through REDD+ (Reducing Emissions from Deforestation and Forest Degradation) scheme had not paid serious or in-depth attention to the</p>	Country	Specified risk for IP rights

	<p>fulfilment of the economic, social and cultural rights of rural communities and indigenous peoples.” (p.9)</p> <p>“11. Indigenous peoples AMAN stated that between 2008 and 2011, indigenous peoples continuously experienced various forms of discrimination, coercion and exploitation of their lands, territories and resources. Specific allegations related to the development of the Merauke Integrated Food and Energy Estate (MIFEE) in West Papua, affecting the indigenous of Malind; the occupation of lands of indigenous in north Sumatera by a state-owned plantation (oil palm and sugar cane) company (PTPN II); the occupation of Koronsi’e Dongi community land in south Sulawesi by PT Inco, a nickel mining company; and the loss of land and forest resources to logging companies for Dayak Punan communities in Kalimantan. JS12 highlighted the lack of respect for Free Prior and Informed Consent (FPIC). VIVATI alleged that islands such as Flores, Timor, Lembata and Sumba had been mined by force by local government with multinational corporations. AMAN recommended scheduling discussion of the Draft Law on the Recognition and Protection of the Rights of Indigenous Peoples.” (p. 10)</p> <p>“61. According to JS12, Indonesia’s reservation to article 1 of ICCPR and ICESCR contributed to the continued neglect of the rights to lands, territories and natural resources of rural communities, particularly indigenous peoples.”</p> <p>“64. JS6 and Komnas-Perempuan urged the Government, inter alia, to: place importance on dialogue with the people of Papua rather than taking a security approach in addressing the problems of Papua; adopt a development plan according to the needs and voices of the indigenous people of Papua and focus on the solutions to the roots of the problems of injustice, discrimination, and violence in Papua; reallocate monies from the exploitation of natural resources in Papua to the welfare of Papuans.” (p. 11)</p>	<p>Country</p> <p>Dayak Punan communities in Kalimantan</p> <p>Country</p> <p>Papua</p>	<p>Specified risk for IP rights</p> <p>Specified risk for IP land rights</p> <p>Specified risk for IP rights</p> <p>Specified risk for IP rights</p>
<p>UN Human Rights Committee</p> <p>http://www.ohchr.org/EN/HRBodies/CCPR/Pages/CCPRIndex.aspx</p> <p>search for country</p>	<p>http://tbinternet.ohchr.org/_layouts/TreatyBodyExternal/Countries.aspx?CountryCode=IDN&Lang=EN</p> <p><i>Human Rights Committee - Concluding observations on the initial report of Indonesia- 21 August 2013</i></p> <p>“16. The Committee is concerned at increased reports of excessive use of force and extrajudicial killings by the police and the military during protests,</p>	<p>West Papua, Bima and</p>	<p>Specified risk for IP rights</p>

Also check: UN Committee on the Elimination of All Forms of Racial Discrimination http://www.ohchr.org/EN/HRBodies/CERD/Pages/CERDIndex.aspx	<p>particularly in West Papua, Bima and West Nusa Tenggara. The Committee is particularly concerned at reports that the State party uses its security apparatus to punish political dissidents and human rights defenders. The Committee is also concerned that the National Police Commission, which is mandated to receive public complaints against law enforcement personnel, is weak as it has neither powers to summon law enforcement personnel nor the mandate to conduct independent investigations (arts. 6 and 7)." (p. 5)</p> <p>http://www.ohchr.org/EN/HRBodies/CERD/Pages/CERDIndex.aspx</p> <p>Latest available report is from 2007 - outdated</p>	West Nusa Tenggara	
Intercontinental Cry http://intercontinentalcry.org/	<p>http://www.scribd.com/doc/216154458/Indigenous-Struggles-2013</p> <p><i>Indigenous Struggles 2013</i></p> <p>"Legislative members of Indonesia considered a bill on the recognition and protection of Indigenous Peoples, a bill inspired by UNDRIP that would, however, conform to the concept of the Unitary State of the Republic of Indonesia (NKRI). The National Alliance for Indigenous People (AMAN) East Kalimantan coordinator Margaretha Seting Beraan, commented, "Actually, I don't agree with the concept of NKRI if they homogenize groups. I only agree with the NKRI concept if pluralism is respected," she said. "Basically we come from different cultures with different customs and laws that come together in one country". While land disputes are numerous in Kalimantan, Margaretha also said that disputes of customary land could be solved using customary law, but that the government's commercial interests in those lands undermined these laws. (p. 1)</p> <p>Several communities in Puncak Jaya regency, West Papua, became the target of military reprisals after a bloody confrontation between West Papuan independence guerrillas and Indonesian armed forces that ended in the death of eight soldiers. The soldiers were taking part in the construction of military posts on top of a sacred burial site, despite being asked not to do so by community representatives and emissaries from the West Papua National Liberation Army. The military responded to the attack by conducting sweep- ing</p>	<p>Kalimantan</p> <p>West Papua</p>	<p>Specified risk for IP rights</p> <p>Specified risk for IP rights</p>

	<p>raids, forcing villagers to give their food and homes to soldiers, and subjecting the villagers to harsh interrogations. The military also set fire to several homes and churches. (p. 12)</p> <p>[...] Indonesia's Constitutional Court invalidated the government's claim to millions of hectares of forest land, potentially giving indigenous and local communities across the Nation State the right to manage their customary forests. In a review of a 1999 forestry law, the court ruled that customary forests should not be classified as "State Forest Areas". Such a classification enables government agencies like the Ministry of Forestry to grant large concessions to companies for logging and plantations even if the area has been managed for generations by local people. The ruling paves the way for a wider recognition of Indigenous Peoples' rights in the archipelago. (p. 33)</p> <p>Traditional Indigenous leaders from West Papua warned that one of Indonesia's largest consumer goods companies, PT Mayora, forced them to sign away their lands under threat of being branded as "separatists" by the Indonesian police. Given the fact that that such an accusation comes with a heavy cost (The accused become potential military targets) the Indigenous leaders decided to give in to the company's demands in order to protect their people. However, the affected villages themselves -- who previously erected markers on their land to prohibit the presence of PT Mayora -- decided on an altogether different tact: They occupied the company's offices, sending a clear message that PT Mayora is not welcome. (p. 40)"</p> <p>http://intercontinentalcry.org/wp-content/uploads/2013/01/Indigenous-Struggles-2012.pdf</p> <p><i>Indigenous Struggles 2012</i></p> <p>"Indonesian security forces continued to maintain a "disproportionate" military offensive in the remote Paniai district of West Papua, intensifying the displacement of tens of thousands of villagers who fled from several weeks of village burnings in December. This was despite Indonesian President Susilo Bambang Yudhoyono ordering the immediate suspension of the offensive and withdrawal of all non-organic security forces on December 12." (p. 7)</p>	<p>Country</p> <p>West Papua</p> <p>Paniai district of West Papua</p>	<p>Low risk for IP rights in Forests</p> <p>Specified risk for IP rights</p> <p>Specified risk for IP rights</p>
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	<p>"The Indonesian Military launched a ferocious wave of attacks against Papuan civilians in the highland town of Wamena. An initial report found eight people dead and 17 injured. Hundreds of people fled the town to seek refuge in the forest. Prior to the military offensive, two soldiers on motorcycles ran over and injured a 3 year-old Papuan child that was playing by the side of the road in the village of Honelama, Wamena. Villagers who witnessed the incident chased the soldiers down, stabbed one to death and injured the other." (p. 25)</p> <p>"The government of Indonesia responded to the UN's recommendations to recognize the rights of its indigenous peoples by asserting, once again, that no indigenous peoples live in the country. The government recognizes exactly 365 distinct ethnic and sub-ethnic groups, however, it explicitly defines them as "komunitas adat terpencil" (geographically-isolated customary law communities). The concept of Indigenous Peoples, according to Indonesia, cannot apply to any of these communities, whether it's the Manggarai, Leragere, Kedang or the Peoples of occupied West Papua." (p. 32)</p>	Wemana, West Papua	Specified risk for IP rights
		Country	Specified risk for IP rights
<p>Forest Peoples Programme: www.forestpeoples.org</p> <p>FPP's focus is on Africa, Asia/Pacific and South and Central America.</p>	<p>http://www.forestpeoples.org/sites/fpp/files/news/2015/10/Indonesia28092015.pdf</p> <p><i>Letter of CERD to Indonesian government on Aru Islands - 28 August 2015</i></p> <p>"I write to inform you that in the course of its 87th session, the Committee on the Elimination of Racial Discrimination received information on recent developments regarding the situation of the Aru indigenous peoples of the Aru Islands District, Moluccas Province.</p> <p>The information alleges that the PT. Menara Group Consortium has been granted a permit for monocrop sugar cane plantations over nearly 50 percent of Aru indigenous peoples' ancestral territory, in spite of opposition by a coalition of representatives of the affected indigenous peoples and without any prior consultation with them, according to the information received in contravention of requirements under the 2004 Plantations Act and under international law.</p>		

	<p>The Committee has also received information alleging that the State party currently lacks effective legal guarantees to protect the rights of indigenous peoples.</p> <p>The Committee is concerned that these allegations, if verified, could hinder the full enjoyment of rights under the Convention. In this regard, the Committee refers to its General Recommendation 23 on the rights of indigenous peoples in which the Committee calls upon States parties “to recognize and protect the rights of indigenous peoples to own, develop, control and use their communal lands, territories and resources and, where they have been deprived of their lands and territories traditionally owned or otherwise inhabited or used without their free and informed consent, to take steps to return those lands and territories”.</p> <p>The Committee recalls its recommendations to the State party (CERD/C/IDN/CO/3) of 15 August 2007, particularly paragraph 16 where it recommended that the State party amend its domestic laws, regulations and practices to ensure that the concepts of national interest, modernization and economic and social development are (...) not used as a justification to override the rights of indigenous peoples, and paragraph 17, where it inter alia recommended that the State party review its laws, in particular Law No.18 of 2004 on Plantations, as well as the way they are interpreted and implemented in practice, to ensure that they respect the rights of indigenous peoples to possess, develop, control and use their communal lands. The Committee notes with concern that so far, no follow - up information has been provided on paragraph 17, nor on the other paragraphs follow-up information had been required on.</p> <p>The Committee also recalls its previous letters sent to the State party on 13 March 2009, on 28 September 2009, on 2 September 2011 and on 30 August 2013, and notes with concern that the State party has not yet responded to any of these.”</p> <p>http://www.forestpeoples.org/topics/agribusiness/news/2015/03/new-film-highlights-struggle-faced-panduamaan-and-sipituhuta-commun New film highlights the struggle faced by the Panduamaan and Sipituhuta community in North Sumatra - 30 March, 2015</p>	Country	Specified risk for IP rights
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	<p>'From our Ancestors' is a very powerful and moving story about the Panduamaan and Sipituhuta community in North Sumatra, Indonesia. They are fighting to stop the growth of pulp plantations owned by PT Toba Pulp Lestari. Previously formerly affiliated with pulp and paper giant, Asia Pacific Resources International Limited (APRIL) and its parent Royal Golden Eagle (RGE), and is still controlled by notorious Indonesian business tycoon Sukanto Tanoto through holding companies.</p> <p>We learn how Rusmedia and her community are putting up a strong fight to stop the growth of monoculture eucalyptus plantations. But the aggressive actions of the company & its close alignment with local politicians & the police have led this struggle down a dark path - protests, intimidation, arrests & confrontations.</p> <p>http://www.forestpeoples.org/topics/pulp-paper/news/2015/03/indonesia-asia-pulp-and-paper-security-guards-beat-farmers-union-acti</p> <p><i>Indonesia: Asia Pulp and Paper security guards beat farmers' union activist to death - 2 March, 2015</i></p> <p>In the afternoon of Friday 27th February seven security personnel contracted to guard one of Asia Pulp and Paper's Acacia plantations in the district of Tebo, Jambi Province on the island of Sumatra, beat, then abducted and killed an activist from a local farmers' union. According to preliminary reports, the altercation occurred when the guards tried to prevent Mr. Indra Pelani from entering the plantation.</p> <p>[...] Marcus Colchester, FPP's senior policy advisor, notes: There is a serious problem in Indonesia with plantation companies that continue to treat the tens of millions of hectares of forestry and oil palm concessions as private fiefdoms in which the rule of law and observation of basic human rights are suspended. Incidents with ill-trained company security personnel and hired mobile police brigades (Brimob) are too common and require a robust response not just from the companies but also the government and judiciary. APP has been presenting itself as model company committed to reform but, as this case tragically reveals, adopting new policies in Jakarta is</p>	<p>Panduamaan and Sipituhuta community in North Sumatra</p> <p>Country</p>	<p>Specified risk for IP rights</p> <p>Specified risk for IP rights</p>
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	<p>one thing, changing how staff and contactors actually perform on the ground is another. We welcome APP's condemnation of the violence but also urge root and branch reforms to the way the company respects human rights both in its own plantations and among all its fiber suppliers.</p> <p>http://www.forestpeoples.org/sites/fpp/files/news/2015/02/Yangon%20conference%20report%2020.02.2015_0.pdf</p> <p><i>YANGON CONFERENCE ON HUMAN RIGHTS AND AGRIBUSINESS IN SOUTHEAST ASIA, PROCEEDINGS 4th–6th NOVEMBER 2014</i> “Updates on large-scale agribusiness land acquisitions in Southeast Asia, Indonesia, Norman Jiwan, TUK, INDONESIA In recent years, there have been a number of positive developments pertinent to Indonesia. The United Nations Committee on the Elimination of All Forms of Racial Discrimination urged Indonesia's government to respect IP s' rights and consult with IPs with regards to proposed projects on their customary lands and territories. The World Bank Group put a two-year moratorium on its financing of the palm oil industry worldwide following numerous civil society complaints on human rights abuses by its clients. Constitutional Court decisions have judged that customary forests should no longer be classified as State forests, but rather as belonging to indigenous peoples. Articles 21 and 47 of the Plantation Law were also revoked in line with a Constitutional Court decision which deemed these to be out of line with the Indonesian Constitution. A moratorium on new permits over primary forests and carbon-rich peatland areas was also imposed , and extended for an additional two years. A Joint Memorandum of Understanding (NKB12) was developed, which will accelerate forest gazettement and the recognition and protection of forest-dependent local communities, including through participatory mapping. AMAN and other NGOs have made significant progress in mapping indigenous peoples' territories across the archipelago, with 3.5 million ha already identified, and the map due to be finalised by 2020 and linked to Indonesia's One Map Policy. The indicative map of indigenous territories was launched in January 2014.”(p.26)</p>	Country	Specified risk for IP rights
		Country	Low risk for IP rights
		Primary forests and carbon-rich peatland areas	Low risk for IP rights

	<p>“However, I would like to suggest that these ad hoc changes are not really addressing or resolving the root causes of the problem. In the forestry sector, 304 companies control 26 million ha of land under Industrial Forest Plantation permits (HPH) and 227 control 10.3 million ha of land under Industrial Timber Plantation permits (HTI), while 11,499 community households only hold 240,000 ha of land. Likewise in the plantation sector, 2,178 companies hold 16 million ha of land, while 23,728 million smallholder households hold 21 million ha, and landless farmers hold none at all. Massive income is lost also from illegal or irregular forestry activities such as mining and industrial plantations, at an estimated loss of 285,887 million Indonesian rupiah, according to the Ministry of Forestry – this only covers two sectors, so the loss is likely to be much higher if other sectors are taken into consideration. An estimated 8,510 million ha of plantations and 8,855 million ha of mining zones are believed to be illegal. The palm oil sector, which continues to thrive, is monopolised by tycoons, who, numbering only 23 own 42% of Indonesia’s 10 million ha of palm oil plantations, while 4 State-owned companies hold a small 12%. Foreign investors are also looking to Indonesia to develop oil palm, including Malaysian and Thai companies.</p> <p>On 20th October 2014, the seventh President of Indonesia, Joko Widodo, set up his new Working Cabinet, which is composed of several members with notable interests in agribusiness. Examples include Rahmad Gobel, the Minister of Trade, who is also Commissioner of Sinar Mas Agro Resources and Technology (PT SMART), and the Minister of Agriculture, Andi Amran Sulaiman, who is also the CEO of sugarcane and palm oil company PT Tiran Group. 229 of the 560 Members of the House of Representatives are businessmen from oil palm, agrofuel, pulp and paper, and mining companies. Many parties are also closely linked with oil palm companies of the likes of Astra (Democratic Party Member Djoko Udjianto), Wilmar (Golkar Party Chairman, Setya Novanto and Member Mohammad Suryo Alam) and Tidar Kerinci (Gerindra Party Vice-Chairman, Fadli Zon). All this casts doubt on whether the new government will genuinely adopt a rights-based approach to agribusiness given their own personal and political interests in engaging with, and benefiting from, palm oil and other</p>	Country	Specified risk for IP rights
		Country	Specified risk for IP rights

	agribusiness crops' expansion." (p. 27)		
	[...] "natural forest land clearing continues across the Indonesian Archipelago, and is particularly dramatic in Papua, where on top of deforestation, industrial concessions overlap with each other, leaving very little space for communities to live and continue their customary livelihood practices. Many companies in Papua also remain inactive, but still hold permits that are deemed valid and of greater legal weight that community claims to land. A human rights-based approach to development has yet to take shape in Indonesia. The power of eminent domain continues to limit the rights of communities, and even sustainability standards developed at the national level which are mandatory like the Indonesia Sustainable Palm Oil (ISPO) are weak in that they do not require respect for communities' right to give or withhold their consent to developments planned on their lands. On a more positive note, Indonesia's National Forestry Council has now adopted the principle of FPIC in its latest paper on how to implement FPIC in REDD+ projects as part of its national REDD+ strategy. However, it should be noted that the Bahasa Indonesia translation of the document sees 'consent' translated as 'consultative process'" (p. 28)	Country	Specified risk for IP rights
		Country	Specified risk for IP rights
		Country	Specified risk for right to FPIC
		Country	Specified risk for IP rights
	"With regards to the right to personal integrity and security, the use by agribusiness venture of private mercenaries, privately contracted police and para-militaries continues to plague the agribusiness sector, as exemplified by the cases of Sodong, Mesuji and Lampung. No remedy has been developed to deal with the traumatic experiences of victims of these abuses. While the Constitutional Court decisions on the Plantation Law is a positive development, the revocation of Articles 21 and 47 only stops new cases but puts no restriction on appeals or the escalation of court processes. Some companies are still pursuing the IPs' leaders who were involved in demonstrations on the ground which led to the revision of the Plantation Law. The Plantation Law was also recently revised in a way that was lacking in consultation and effective participation." (p. 28/29)	Country	Low risk on IP rights

	<p>[...] “However, Indonesian land and plantation sector regulations do not invoke the right to FPIC, they are hampered by the militaristic approach of the legal framework (e.g., the Law on Social Conflict Handling) and gross human rights abuses continue in plantations, as exemplified by the forced eviction case of the indigenous Suku Anak Dalam of Jambi, and their harassment by the local government, the police and the active oil palm plantation company operating on their customary lands.</p> <p>http://www.forestpeoples.org/sites/fpp/files/news/2015/01/ExecutiveSummary_APP_20140114_FINAL_SK_reduced%20size.pdf</p> <p><i>APP'S PERFORMANCE IN MEETING ITS SOCIAL RESPONSIBILITY COMMITMENTS – January 2015</i></p> <p>“Asia Pulp and Paper (APP) has a well-documented legacy of adverse social and environmental impacts associated with its operations. In February 2013 - after widespread public criticism of the company, community opposition and pressure from customers and investors -APP released a Forest Conservation Policy (FCP) that, along with other public commitments made by the company between 2012-2014, set out the company's intention to reform its practices and address its legacy of destruction and conflict. APP has a 2.6 million hectare land bank in Indonesia. The company has cleared and drained extensive areas of rainforest and peatlands in Sumatra and Kalimantan and converted them to monoculture pulpwood plantations. About half of its plantations are located on carbon rich peatlands. The development and operation of plantations in these areas involves natural forest clearance and peat drainage and is a major source of Indonesia's greenhouse gas emissions. APP's legacy also includes the clearance and conversion of vital rainforest habitat for a rich diversity of species including the critically endangered Sumatran tiger. Further, the development of these plantations has come at a large cost to indigenous peoples and local communities that have, in many cases, had their customary lands taken, their traditional livelihoods undermined and their human rights violated. The failure of APP and the Indonesian government to respect community rights and recognize land tenure has created hundreds of conflicts between communities and APP across the company's concession areas.</p>	Country	Specified risk for right to FPIC
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	<p>As part of APP's Forest Conservation Policy of February 2013, the company committed to resolve these land and other social conflicts, respect the right of communities to give or withhold their Free, Prior and Informed Consent (FPIC), meaningfully engage stakeholders and to practice transparency. Many in civil society, industry and government welcomed APP's commitments. However, because APP had made similar promises in the past and failed to meet them, many groups have called for the implementation of APP's commitments to be independently verified to have an impact on the ground prior to customers and investors resuming or starting business with APP and its affiliates.</p> <p>In summary, we find that much work remains to be done before APP can be seen to be successfully implementing its policy commitments related to resolving land conflicts and respecting FPIC and rights or to be seen to be satisfactorily meeting its commitments relating to stakeholder engagement and transparency. Although the company has put a host of building blocks in place to implement its commitments, in most cases, changes have yet to reach the ground (i.e. the Forest Management Unit level) where many practices remain the same as prior to APP's announcement of its FCP." (p. 3 and 4)</p> <p>http://www.forestpeoples.org/faceted_search/results/Indonesia?page=5</p> <p><i>Securing Forests Securing Rights - Report of the International Workshop on Deforestation and the Rights of Forest Peoples – March 2014</i></p> <p>"country information: Indonesia</p> <p><u>land area</u>: 181,157,000 ha</p> <p><u>Forest area</u>: 94,432,000 ha (52%)</p> <p><u>Population</u>: 244.5 million Forest peoples: 80–95 million forest-dependent people, including 30–70 million indigenous forest people</p> <p>Forest land tenure: More than 40% owned under customary law; less than 1% owned by communities and indigenous peoples under national law; 98% state owned under national law; 1.4% owned privately (individuals and companies; business entities and institutions also hold managements rights in much public</p>	APP areas	Specified risk for IP rights
		Country	Estimated numbers of IPs

	<p>forest land); 0.2% designated for management and use by communities and indigenous peoples</p> <p><u>Deforestation rate:</u> 0.51% annual average 2000–10; satellite images reveal under-reporting: estimated loss of 9.3% of forest cover between 2000 and 2010; annual rate doubled from 1 million ha to 2 million ha between 2000 and 2013</p> <p><u>Main direct drivers of deforestation:</u> oil palm; pulp wood (acacia monocultures classified as ‘forests’ by government); logging (at least 65% illegal); open-cast mining is an emerging threat</p> <p><u>Main indirect drivers of deforestation:</u></p> <p>unsustainable and inequitable development; inequitable agrarian policies; assimilationist state policies; poor regulation, patronage and corruption.” (p. 16)</p> <p>“Rapid deforestation and forest degradation in Indonesia since the 1970s have resulted from a wave of concessions for logging, timber estates and forest conversion to oil palm, mining and other agro-industrial sectors. Forest destruction continues to violate the collective customary rights of many communities, as well as undermining the full spectrum of individual human rights. The country has continued on this destructive path despite growing awareness of the need for reform in the forest sector, in the treatment of forest peoples, and in countering corruption, and regardless of a government moratorium on new forest concessions and some hard-won legal gains by indigenous and forest peoples.</p> <p>[...] Timber revenues have been central to Indonesia’s system of patronage, including for the armed forces, with much of the wood illegally extracted. The country’s pulpwood industry is replacing roughly 250,000 hectares a year of natural forests and community trees with fast-growing acacia monocultures. In the late 1990s Indonesia logged at least three times more raw timber than the most optimistic calculations indicated was sustainable. Forestry has generated hundreds of thousands of jobs, billions of dollars’ worth of trade and enormous wealth for the country’s few hundred tycoons, but it has also entrenched corruption and rent-seeking within the Ministry of Forests. Only a minority of logging operations fully comply with environmental and other regulations.</p>	Country	Specified risk for IP rights
		Country	Specified risk for IP rights
		Country	Specified risk for IP rights

	<p>When, with administrative decentralisation during the reform period, subnational authorities issued small-scale licenses ostensibly to benefit local communities, these were captured by local elites, and illegal logging intensified.” (p. 18)</p> <p>“The Indonesian government has identified 33,000 villages within the forest zone, representing a population of tens of millions of people, many of them members of customary law communities. The forestry ministry does not recognise these communities’ right to use, manage or control their forests and has granted concessions without regard to impacts on local livelihoods. Manipulation, force and intimidation are common in companies’ acquisition of community lands, leading to thousands of local conflicts. Land grabs trigger resistance and repression by the army and police, accompanied by arrests, violence and killings. Assimilationist state policies towards indigenous and forest peoples and rural communities have stereotyped them as backward to justify the seizure of their lands.” (p. 19)</p> <p>“There is growing realisation that Indonesia needs urgently to control its concessions system, resolve land disputes, secure community rights, tackle corruption, provide access to justice and enforce the rule of law. The government has begun to undertake legal reforms and tackle corruption and has declared a moratorium on new concessions in primary forests and peatlands. The private sector has also taken initiatives, with some EU companies reducing purchases of Indonesian palm oil and the development of industry standards under the multi-stakeholder Roundtable on Sustainable Palm Oil (RSPO), which requires respect for indigenous and local community rights. Asian palm oil producer companies have made individual social and environmental policy commitments, and a certification scheme for sustainable forest management has been developed with the Forest Stewardship Council. Progress on the ground has been slow, however. Officials still grant new permits to convert primary forests, and companies continue to acquire and operate on land without community consent.”</p> <p>[...] the Indonesian government’s merauke integrated Food and energy estate (miFee) project prioritises production of food crops, palm oil, timber and agro-fuels, primarily for export, on millions of hectares in merauke district, Papua. By 2011, 36 companies had acquired permits to more than 2 million hectares</p>	Country	Specified risk for IP rights
		Country	Specified risk for IP rights
		Merauke district, Papua	Specified risk for IP rights

	<p>under the project, the entire area of which is claimed by the malind and other indigenous Papuans. “ (p. 20)</p> <p>Prior to the imposition of colonial and state laws and policies, most of Indonesia’s forests were owned and controlled by forest-dwelling peoples who managed these areas according to adat (custom). Today, although the country’s constitution makes respect for adat central to national identity, the constitution also asserts state control over natural resources in the national economic interest. The government classes 70% of Indonesia as state controlled forests, while very few traditional landholdings are formally recognised. Indonesia’s laws generally provide for only an insecure form of community tenure based on use rights. Customary rights holders have no legal basis to oppose large-scale forest clearance or to refuse the imposition of agribusiness developments. Local authorities often allocate lands to outsiders without visiting the areas or informing the people affected. Until recently it was almost unheard of for forestry officials to consult communities before awarding logging licenses or plantation concessions, and today compensation for loss of lands may be as low as US\$20 per hectare or, more usually, about \$70 per hectare. Most forest peoples surrendering lands for development consider themselves to be leasing their lands in conformity with tradition, whereas, in line with national law, companies insist that they are surrendering their rights in perpetuity. The constitutional court has upheld the need for recognition and ruled that only gazetted forest should be classed as state forest land, thus allowing for the recognition of indigenous ownership of millions of hectares of ancestral forests under more secure tenure. Several provinces have begun to develop laws and procedures that make collective land tenure possible, and some districts have recognised forest communities’ right to control their natural resources. In general, nevertheless, authorities have continued to favour the interests of companies over community rights.</p> <p>” (p. 21-22)</p>	Country	Specified risk for IP rights
		Country	Specified risk for IP rights
		Country	Low risk for IP rights
		Some districts that recognize IP rights	Low risk for IP rights
Society for Threatened Peoples: http://www.gfbv.de/index.php?change_lang=english	No additional specified risk information found	Country	-
Regional human rights courts and commissions:	These courts have no jurisdiction in Indonesia.	Country	-

<ul style="list-style-type: none"> - Inter-American Court of Human Rights http://www.corteidh.or.cr/index.php/en - Inter-American Commission on Human Rights http://www.oas.org/en/iachr/ http://www.oas.org/en/iachr/indigenous/ - African Commission on Human and Peoples' Rights - African Court on Human and Peoples' Rights - European Court of Human Rights 	<p>http://www.aman.or.id/wp-content/plugins/downloads-manager/upload/Submission-Report-to-Human-Rights-Councils---AMAN-20120121001514.pdf</p> <p><i>Submission Report to Human Rights Council On The Situation of Human Rights and Fundamental Freedom of Indigenous Peoples in Indonesia Universal Periodic Review Thirteenth Session 21st May - 1st June 2012 Submitted by Aliansi Masyarakat Adat Nusantara/AMAN (Indigenous Peoples Alliance of the Archipelago)-</i></p> <p>“AMAN welcomed the government's commitment in promoting human rights at the regional level with the establishment of the ASEAN regional human rights body or AICHR, which was declared on October 23, 2009. The Terms of Reference (TOR) AICHR mentioned that AICHR responsible for the promotion and protection of human rights in ASEAN based on the principle of consensus, consultative and non-intervention, where reporting is addressed to the ASEAN Foreign Ministers' Meeting. But it is very unfortunate ASEAN Human Rights Mechanism is still limited in obtaining information (to obtain information) and conduct thematic studies, as result of political compromise among the ASEAN countries. AMAN notice that studies conducted by AICHR blueprint for ASEAN in 2015, has not mentioned any study of indigenous peoples and their rights.” (p. 5)</p>		
<p>Data provided by National Indigenous Peoples', Traditional Peoples organizations;</p>	<p>Aliansi Masyarakat Adat Nusantara (AMAN): Indigenous Peoples Alliance of the Archipelago</p> <p>http://ifnotusthenwho.me/story/aliansi-masyarakat-adat-nusantara/</p> <p>AMAN's mission is to empower, advocate for, and mobilize indigenous peoples of the Indonesian archipelago to protect our collective rights, and to preserve our cultures and environments for current and future generations.”</p> <p>http://www.rightsandresources.org/documents/files/doc_6343.pdf</p> <p><i>Indigenous Peoples in Indonesia The Struggle for “Legal” Recognition by Mina Susana Setra Deputy for Advocacy, Law and Politics Aliansi Masyarakat Adat Nusantara (AMAN) - Interlaken, 19 September 2013</i></p>		

	<p>"Indigenous Communities, Member of AMAN (2.240 communities, 15 Million People; February 2013)"</p> <p>https://msppindo2015.wordpress.com/2015/02/03/aman-indigenous-peoples-alliance-of-the-archipelago/</p> <p>AMAN (<i>Indigenous Peoples Alliance of the Archipelago</i>) – 3 February 2015 "In Jakarta, we met with Rukka Sombolinggi and Mina Setra, two of the leaders of AMAN (Aliansi Masyarakat Adat Nusantara), a group that fights for the rights of indigenous people in Indonesia. [...] According to Rukka, there are now 102 local chapters of AMAN comprising 2,244 member communities and representing more than 70 million individuals."</p> <p>http://ifnotusthenwho.me/human-rights-commissioner-says-long-awaited-report-will-reveal-significant-violations-in-rights-of-indonesias-indigenous-peoples/ 13 March 2015</p> <p>"An organization that now has 2.244 member communities, 15 million people, AMAN is celebrating its 16th birthday in Jakarta this week, and is beginning to flex its political muscle."</p> <p>http://www.aman.or.id/</p> <p>Website of AMAN is in Bahasa.</p> <p>http://www.aman.or.id/english/</p> <p>English version has only limited number of publications</p> <p>http://www.forestpeoples.org/sites/fpp/files/publication/2015/07/aru-islands-ew-ua-request-final.pdf</p> <p><i>Request for Consideration of the Situation of Indigenous Peoples of the Aru Islands, Indonesia, under the Committee on the Elimination of Racial Discrimination's Early Warning and Urgent Action Procedure- 14 July 2015 (Joint submission by AMAN and FPP)</i></p> <p>`In 2010, the Head of the Aru Islands District issued a 'principle permit' for the conversion of natural forests in the Aru Islands to plantations. This was</p>	<p>Country</p> <p>Country</p>	<p>-</p> <p>-</p>
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	<p>endorsed by the Governor of the Moluccas, who issued a 'Recommendation Letter for the Minister of Forestry to enable Forest Release' in July 2011. Subsequently, in February 2013, the Indonesian Ministry of Forestry allocated 'forest land' to 19 of the 28 companies comprising the PT. Menara Group Consortium ("the Menara Group"). A year later, on 6 February 2014, the Acting Governor of the Moluccas, Saut Sitomorang, additionally authorized sugar cane plantation development in these same areas. Most recently, in June 2015, the Minister of Agriculture announced that the State has designated three locations for the development of industrial sugar cane plantations and processing facilities in Indonesia. He observed that "to achieve self-sufficiency of food, including sugar and beef, the Ministry of Agriculture has prepared three regions in eastern Indonesia namely Aru islands in Moluccas, Southeast Sulawesi and Merauke, for farm land and sugar cane plantations." This latest announcement demonstrates that Indonesia intends to push through the plantations in Aru regardless of the depth of the local opposition and the highly probable extreme impact on indigenous peoples there.</p> <p>http://www.aman.or.id/petition-for-mk-no-35-ruling-and-indigenous-peoples-bill/</p> <p><i>Petition for MK No.35 Ruling and Indigenous Peoples Bill – 4 March 2014</i> INDONESIA GOVERNMENT: Implement the Constitutional Court's Decision no. 35/PUU-X/2012 and Immediately adopt the Bill on Recognition and Protection the Rights of Indigenous Peoples.</p> <p>On 16 May, 2013, the Indonesian Constitutional Court issued a decision on the Judicial Review which was delivered by the Indigenous Peoples Alliance of the Archipelago (AMAN) and two Indigenous Communities against Law 41/1999 on Forestry. In decision No. 35/PUU-X/2012, the Constitutional Court confirmed that Customary Forests are forests located in Indigenous territories, and should no longer be considered as State Forests.</p> <p>Indigenous Peoples throughout Indonesia welcomed the Constitutional Court's decision by simultaneously placing signposts throughout Indigenous territories,</p>	Moluccas, Southeast Sulawesi and Merauke	Specified risk for IP rights
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	<p>which read: "Customary forests are no longer State forests. Indigenous Peoples are implementing the Constitutional Court's Decision No. 35/PUU-X/2012". In addition, Indigenous Peoples have also started rehabilitating their territories which have been damaged by the activities of companies who were given licenses to operate by the State.</p> <p>It has been four months since the Constitutional Court's decision. However, up until now there has been no attempt by the government to implement this decision. Instead, the Minister of Forestry issued a letter SE 1/Menhut-II/2013 on Constitutional Court's Decision No. 35/PUU-X/2012 addressed to the Governor, the Regent/Mayor and Chief of Forestry services throughout Indonesia, which confirms that customary forests will be determined by the Ministry of Forestry. In order to do this, the Ministry of Forestry requires local governments to set up regulations to identify customary forests.</p> <p>Thus, it will be a long and difficult process before Indigenous Peoples have and manage their own forests. Meanwhile, the State continues to give large tracts of forest areas to companies, meaning forest conversions for industrial activities are increasingly widespread. Thus, justice for Indigenous Peoples is continuously ignored by the State."</p> <p>http://www.aman.or.id/2014/02/28/2013-in-review-indigenous-peoples-alliance-of-the-archipelago-aliansi-masyarakat-adat-nusantara-aman/</p> <p><i>2013 in Review Indigenous Peoples' Alliance of the Archipelago - 8 February 2014</i></p> <p><u>"Draft Law on the Recognition and Protection of the Rights of Indigenous Peoples (Rancangan Undang-Undang tentang Pengakuan dan Perlindungan Hak-Hak Masyarakat Adat, RUU PPHMA)</u></p> <p>In June 2013, the Legislation Body delivered the draft law to the House of Representatives' Plenary Session. It was then adopted as a House initiative on 3 April 2013, making it an official bill that the House will discuss with the government. The draft law itself was initially proposed by AMAN on 2011 and submitted through a political party to the Legislation Body to be included in the 2012 National Legislation Program.</p>	Country	Specified risk for IP rights
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	<p>[...]Specific to substance, a number of AMAN's initial suggestions are not accommodated in the final draft law approved by the House. The first is on the term and definition used. The current draft uses Masyarakat Hukum Adat (Customary Law Society) to align it with that used in Article 18B Paragraph (2) of The 1945 Constitution of the Republic of Indonesia. The constitutional clause's recognition of indigenous peoples is limited to customary governance and justice systems in specific context to rights over territories and natural resources. Adopting the same term means that adopting a purely functional approach, whereas any legislation on indigenous peoples should combine both a functional and human rights approach. AMAN has proposed Masyarakat Adat (Indigenous Peoples) as the social reality of indigenous peoples is not solely limited to governance and justice systems, nor to rights over land and natural resources, but also related to religion, culture and other less physically tangible aspects. AMAN argues that Article 18B Paragraph (2) should not serve as the only constitutional basis, but that Article 28I Paragraph (3) should also be utilized, providing a constitutional basis for a human rights approach that also recognizes critical rights to religion, culture, and expression. The second issue relates to institutional governance and oversight. The current draft law assigns only the Panitia Masyarakat Hukum Adat (Committee of Traditional-Law Society) as the sole and limited authority, on an ad-hoc basis, to verify the identification of indigenous peoples on the regency, provincial and national levels. This is contrary to the institution proposed by AMAN, which draws from wider authority and is rooted in greater institutional permanence. The proposed Komisi Masyarakat Adat (Committee of Indigenous Peoples) would work also on the regency, provincial and national levels and have authority to, inter alia, verify the existence of indigenous peoples, settle conflicts between indigenous peoples and third parties, coordinate development programs, synchronize regulations related to indigenous peoples, as well as authorize research on and empowerment of indigenous peoples. Last, but certainly not least, the current draft law doesn't contribute to meaningful efforts to diversify the existing governance structure. Indigenous peoples and customary law are merely authorized to settle internal conflicts, and are not seen as a prospective tool or means in disputes involving third parties, including the government.</p>	Country	Specified risk for IP rights
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	<p>[...]The <u>Law on Village</u> came into force on 18 December 2013. This law provides both opportunities and challenges for indigenous peoples. It has the potential to allow indigenous peoples to decide on the village model they find most appropriate. Indeed, the law specifically stipulates a modality termed Desa Adat (indigenous village). However, the law also potentially challenges the long-term achievement of indigenous rights by over-simplifying the reality of indigenous peoples and potentially inviting a strong backlash on indigenous rights. The Law on Villages equates indigenous villages with indigenous peoples, when the reality remains that not indigenous peoples can be categorized as belonging to, nor necessarily be part of, an indigenous village.</p> <p>Furthermore, the Law on Villages was similarly drafted based on a functional approach, which superimposes a traditional government structure on all modalities of proposed village governance, including that of Desa Adat. Again, this set of legislation fails to utilize functional and human rights approaches simultaneously, thereby weakening its possibility to support the recognition, protection and advancement of indigenous peoples. Rights recognized, protected and advanced by the State should not be limited to those of governance and natural resource ownership and management, as reflected by the Law on Villages and its proposal for indigenous villages. Instead, legislation must also recognize and protect less tangible elements, including spiritual beliefs, cultures and so on.”</p> <p>[...] <u>Constitutional Court Decision No. 35/PUU-X/2012 in Relations to Status of Customary Forest and Its Legal Implication.</u></p> <p>Constitutional Court Decision No. 35/PUU-X/2012 drew two significant conclusions: The first relates to indigenous peoples’ rights over indigenous territories, or in this case, customary forest. Within that context, the Constitutional Court found in favor of the plaintiff (AMAN, jointly with Kasepuhan Cisitua and Kenegerian Kuntu indigenous communities). Where Article 1 Paragraph (6) of Law No. 41 Year 1999 on Forestry states “customary forest is State forest located in the areas of traditional-law society”, the Court found this contrary to Article 18B Paragraph (2) of The 1945 Constitution of the Republic of Indonesia recognizing the existence of indigenous peoples and their rights, including over customary forest in their indigenous territory. Accepting the argumentation, the Constitutional Court ruled that the word</p>	Country	Specified risk for IP rights
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	<p>“State” in the Article 1 Paragraph (6) of the Law No. 41 Year 1999 on Forestry contradicted The 1945 Constitution, thus rendering it legally void. Interpreting and enacting concrete results from the deletion of the word “State” from the paragraph remains challenging.</p> <p><u>Circular Letter from the Ministry of Forestry No. E.1/Menhut-II/2013 on the Constitutional Court Decision No. 35/PUU-X/2012</u></p> <p>In 16 July 2013, the Ministry of Forestry issued Circular Letter No. E.1/Menhut-II/2013 on the Constitutional Court Decision No. 35/PUU-X/2012, announced on 16 May 2013. This was the first response of the government to the Constitutional Court Decision regarding Customary Forest.</p> <p>In Indonesia, Ministerial level circulars (surat edaran) serve as legal guidance, in addition to legislation and presidential, as well as ministerial, regulations. This circular letter was addressed to Governors, Regents, and related governmental agencies across Indonesia, and elaborates on the Constitutional Court’s ruling and legal deliberation. The circular letter failed to outline obligations of indigenous peoples to the government, rendering the implementation of the verdict to rely solely on further enactment of government policy. It further has the potential to direct provincial and regency governments to complicate the implementation of the decision. For instance, it affirms that customary forest will be released from designation as State forest only if indigenous peoples have been recognized by local regulation. In addition, the circular letter shifts contestation over how the ruling on customary forest will be implemented from the national to local level. It is thus plausible to interpret the circular letter as an effort by the Ministry of Forestry to disentangle itself from the very forestry disputes it has caused. More problematically, shifting responsibility to the local level may render the verdict unimplemented, as local governments rarely have the legislative and financial capacities to draft local regulation. Parallel to this, the local level has also increasingly become the focus of natural resources disputes, including forest. For local governments, surrendering State Forest and reverting them back to Customary Forest means losing important revenue streams.</p>	Country	Low risk or IP rights
		Country	Specified risk for IP rights

	<p><u>Ministry of Forestry Decree Number P.62/Menhut-II/2013 on the Amendment of Ministry of Forestry Decree Number P.44/Menhut-II/2012 on Forest Estate</u></p> <p>This decree was issued by the Government (Ministry of Forestry) on 19 November 2013 as the second response to the Constitutional Court Decision No. 35/PUU-X/2012 after the Circular Letter from the Ministry of Forestry No. E.1/Menhut-II/2013. The decree is a legal response coming from the Government, and is comprised of misleading content blurring the judgment of Constitutional Court Decision No. 35/PUU-X/2012 on customary forest and Constitutional Court Decision No. 45/PUU-IX/2011 on forest estate. Several mistakes are found in the decree: First, legal subject, the Constitutional Court Decision No. 35/PUU-X/2012 has removed customary forest from the jurisdiction of State forest and categorized it as rights forest, although it remains as forest area. This means that the Constitutional Court Decision No. 35/PUU-X/2012 maintains two type of rights over forest located within forest area, namely State forest and rights forest. By that construction, the decision establishes indigenous peoples as the rightful owner of customary forest as part of rights forest. Yet the Government incorrectly interprets indigenous peoples' as legal subjects in the Ministry of Forestry Decree Number P.44/Menhut-II/2012, relegating individual and legal entities as third parties whose rights will be identified. By excluding indigenous peoples as legal subjects in Article 17 and Article 18, the decree will not identify customary forest as rights forests within forest area, and rightfully owned by indigenous peoples.</p> <p>Second, the decree oversteps its authority by setting out provisions for determining the existence of indigenous peoples. The 1945 Constitution of the Republic of Indonesia establishes five provisions for determining the existence of indigenous peoples. Four are stated within Article 18B Paragraph (2), and the last in Article 28I Paragraph (3). The four provisions in Article 18B Paragraph (2) are: 1) "as long as they remain in existence", 2) "in accordance with the societal development", 3) "in accordance with the principles of the Unitary State of the Republic of Indonesia", and 4) "shall be regulated by law." The remaining one provisioned by Article 28I Paragraph (3) reads, "in accordance with the development of times and civilizations." Even Law No. 41</p>	Country	Specified risk for IP rights
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	<p>Year 1999 on Forestry has only two provisions to determine indigenous peoples' existence: 1) "if any", and 2) "its existence is acknowledged."</p> <p>The decree outlines further provisions for determining indigenous peoples' existence, requiring indigenous peoples to provide written or other proof. Acceptable written proof includes a letter on the history of land issued by autonomous government, land titles, and certificate of land titles issued by the National Land Agency. Unwritten proof includes recognition by local regulation, the presence of public and social facilities, inclusion in village statistics, and consisting of at least ten houses and exceeding ten families.</p> <p>It is practically difficult for indigenous peoples to meet these requirements. As one example, recognition through local regulation depends too much on the local government's capacity, finances, and political determination to formalize recognition of indigenous peoples. The minimal requirement for the number of families and houses places a burden on communities as well.</p> <p>More fundamentally, these provisions infringe upon the legal principle of conditions for exemptions and a legitimate requirement for rights, both of which should be addressed equally. Three internal technical and functional requirements are instead treated as substantive: respective statistics on forest, population and sub-district/village required by Article 24 of the Decree 24 are technical in nature. These provisions shouldn't determine whether a right is legitimate or illegitimate. The basis for exemption from a right can only be another right, and not because of technical factors. If this logic of the Ministry of Forestry Decree continues and remains uncorrected, future precedence will use technical requirements to omit or deny fundamental rights.</p> <p><u>Plangisasi of Indigenous Territories</u></p> <p>After the Constitutional Court Decision No. 35/PUU-X/2012 was delivered, indigenous communities across the Indonesian archipelago began plangisasi activities in their respective indigenous territories. Plangisasi is a colloquial term for placing a placard or banner up, and is an expression of indigenous peoples' spirit to re-demarcate their respective indigenous territories, and to inform others that the marked area is theirs.</p>		
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	<p>Plangiasasi garnered various responses. In Maluku Utara, for instance, placards erected by the indigenous peoples were removed by PT Nusa Halmahera Mineral, a mining company. In Manggarai Timur Regency, the plangiasasi was opposed by the District Forestry Office. The office allegedly threatened people with arrest if they put up placards in indigenous territories claimed as State forest area. On the other hand, other local governments accepted and even supported plangiasasi. This variety of response demonstrates the range of public sentiment and understanding on the Constitutional Court Decision, from perception of the decision as a threat that will decrease authority to those who see the decision as a step forward for resolving lack of clarity in land tenure in Indonesia through clarifying status of indigenous peoples' rights over customary forest.</p> <p><u>Local Regulation of Malinau Regency</u></p> <p>In 2012, Komnas HAM and AMAN facilitated the drafting process of the Local Regulation on the Recognition and Protection of the Rights of Indigenous Peoples in Malinau Regency, which was then adopted as Malinau Regency Regulation Number 12 Year 2012. In 2013, Malinau Regency's Regional House of Representatives requested AMAN to facilitate the drafting process of two local regulations, respectively, on Indigenous Institutions, and on the Protection of Potential Agricultural Land for Food for Indigenous Peoples in Malinau Regency. AMAN complied and in December 2013, the Regional House of Representatives adopted both drafts as Malinau Regency's Local Regulations.</p> <p>The Local Regulation on Indigenous Institutions enables institutions of indigenous peoples in the Malinau Regency to strengthen indigenous governance and justice systems, settle disputes, and provide a sphere for the local government to conduct activities for the empowerment and strengthening of indigenous institutions. Moreover, the regulation supports an Indigenous Council, whose functions and authority includes conflict resolution between indigenous institutions, proposing development coherent with indigenous values, and conducting research and providing recommendations to local government.</p> <p>The Local Regulation on the Protection of Potential Agricultural Land for Food for Indigenous Peoples provides opportunities for indigenous peoples to freely</p>	<p>Local governments accepting plangiasasi in Manggarai Timur Regency</p> <p>Malinau Regency</p>	<p>Low risk for IP rights</p> <p>Low risk for IP rights</p>
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	<p>use, protect, and preserve edible plants in use for generations, and often unfamiliar to mainstream society. The regulation guarantees food security for indigenous peoples, clarifying the basis for indigenous land use and ownership, and limiting reassignment of agricultural land. As well, it obliges local government to, inter alia, identify indigenous peoples' land utilized to ensure food security, and take necessary steps to defend land not only food security, but also food sovereignty for indigenous peoples in Malinau Regency.</p> <p><u>Conflict over Indigenous Territories</u></p> <p>It can be said that 2013 was a landmark year in the history of the recognition of the rights of indigenous peoples in Indonesia as it saw the Constitutional Court Decision No. 35/PUU-X/2012 on the judicial review of Law No. 41 Year 1999 on Forestry, and the adoption of RUU PPHMA as the House of Representatives' Initiative Bill. Yet despite these important events, indigenous peoples in Indonesia continue to face conflicts of territory, land and natural resources. The absence of well-conducted FPIC (free, prior, and informed consent) processes has resulted in repeated invasions and grabbing of indigenous territories over generations. The impact of this is clear when one realizes that the land that is being taken away is the main source of indigenous peoples' livelihood. Indigenous peoples aren't given the option to reject projects to be carried out on their territory, even though those projects potentially affect their lives in various ways. Indigenous peoples are not provided with a space or a means to pursue dialog with the government, or with private parties that obtain concession licenses to manage indigenous territories. Those who oppose these developments will face an oppressive reaction from the government, in most cases supported by security forces, either the military or the police. Land grabbing continues in the name of development.</p> <p>During 2013, AMAN accepted hundreds of cases relating to the grabbing of land and natural resources owned and managed by indigenous peoples for generations. After analyzing each case, AMAN followed up with 143 of them by taking actions ranging from reporting to the National Commission on Human Rights, advocating on behalf of victims, defending victims before the court, and protesting to relevant government agencies and other parties.</p>	Country	Specified risk on IP rights
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	<p>[...]Hundreds of other cases are not documented in detail because they were reported just through letters, text messages and phone calls. These cases usually occur in indigenous communities lacking alternative means of communication. Inadequate documentation is aggravated by the weak capacity of these communities to document cases to understand dispute settlement. In this situation, therefore, indigenous peoples are vulnerable parties, without access to justice.”</p> <p>http://www.aman.or.id/2012/11/14/press-release-indonesian-government-accepts-ancestral-domain-maps-making-indigenous-peoples-visible-within-the-nation-state/</p> <p><i>Press Release: Indonesian Government Accepts Ancestral Domain Maps: Making Indigenous Peoples visible within the Nation State – 14 November 2012</i></p> <p>“Jakarta, 14 November 2012 – Indigenous Peoples’ Alliance of the Archipelago (AMAN) and Network for Participatory Mapping (JKPP) have officially handed over ancestral domain map registered in Ancestral Domain Registration Agency (BRWA) to the Indonesia’s Geospatial Information Agency (BIG) and Presidential Delivery Unit for Supervision and Control of Development (UKP4). This is the initial hand overdone by AMAN and JKPP. As a start, being submitted are 265 maps of ancestral domains covering 2,402,222 hectare wide.</p> <p>Ancestral domain maps available in BRWA, of which process facilitated directly by AMAN and JKPP as well as NGOs advocating the archipelago’s indigenous peoples, are prominent information to support One Map Indonesia carried out by the government through UKP4 and BIG. It is a collective movement of all including indigenous peoples, for managerial improvement of Indonesia in order to be a better Country.</p> <p><i>“Making Indigenous Peoples visible within the State will help the government in managing a Bhinneka Tunggal Ika (Unity in Diversity), peaceful and equitable State based on the conditions and characteristics of indigenous peoples from across the Archipelago”</i> said National Coordinator of JKPP Mr. Kasmita Widodo.</p>		
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	<p>According the Secretary-General of AMAN Abdon Nababan, the handover aims as representation of indigenous peoples as well as their rights to lands, territories and natural resources in the Republic of Indonesia. Indonesia has a constitution recognizing indigenous peoples but lacks of administrative law acknowledging the existence of indigenous peoples and their collective rights. Thus, this handover is part of welcoming the legalization of Recognition and Protection the Rights of Indigenous Peoples (PPHMA) Bill currently discussed by House of Representatives. Once legalized, the Act will provide recognition, protection, and service to indigenous peoples of the archipelago as citizens of Indonesia.”</p> <p>http://www.aman.or.id/wp-content/plugins/downloads-manager/upload/Submission-Report-to-Human-Rights-Councils---AMAN-20120121001514.pdf</p> <p><i>Submission Report to Human Rights Council On The Situation of Human Rights and Fundamental Freedom of Indigenous Peoples in Indonesia Universal Periodic Review Thirteenth Session 21st May - 1st June 2012 Submitted by Aliansi Masyarakat Adat Nusantara/AMAN (Indigenous Peoples Alliance of the Archipelago)-</i></p> <p>“Indonesia has population of around 230 million. The government recognizes 365 ethnic and sub-ethnic groups as komunitas adat terpencil (geographically isolated customary law communities). They number approx. 1.1 million. However, many more peoples consider themselves, or are considered by others, to be indigenous. The national indigenous peoples’ organization, Aliansi Masyarakat Adat Nusantara (AMAN), uses the term masyarakat adat to refer to indigenous peoples in Indonesia, amounts to between 50-60 millions.</p> <p>The third amendment of the Indonesian Constitution recognizes indigenous peoples’ rights in Article 18b-2. In more recent legislation, there is an implicit, though conditional, recognition of some rights of peoples referred to as masyarakat adat or masyarakat hukum adat, such as Act No.5/1960 on Basic Agrarian Regulation, Act No.39/1999 on Human Rights, MPR (Parliament) Decree No. X/2001 on Agrarian Reform. (p. 1)</p>	Country	Specified risk on IP rights
		Country	Specified risk on IP rights

	<p>[...] AMAN appreciate that Indonesian government has adopted Agrarian Law No. 5/1960, Law No. 27/2007 on Coastal and Small Islands and Law No. 32/2009 on Protection and Management of Environment, which are recognizing Indigenous Peoples Rights. However, other influential policies which have strong impacts on Indigenous Peoples Rights, like Law No. 41/1999 on Forestry and Law No. 4/2009 on Mineral and Coal, remain a threat to Indigenous Peoples.</p> <p>Between 2008 and 2011, indigenous peoples in Indonesia continuously experience various forms of discrimination, coercion and exploitation of their lands, territories and resources. The State's claim to and control over land and natural resources in indigenous territories is still ongoing.”(p. 2)</p>	Country	Specified risk on IP rights
	<p>“In Kalimantan, Dayak Punan communities have suffered of losing their land and forest resources to logging companies. one of which, PT Fortuna Cipta Sejahtera expanded its forest concessions, including around 15,000 hectares of forest belongs to the Punan. In October 2010, the Dayak Punan protested company's policy that banned the people to do their everyday life activities in their own land, ended with ongoing intimidation to the communities by the company. The other companies also there in Punan's lands are PT Intraca Wood and PT Alchates Plywood. Punan Dulau community, one among several Punan communities live in East Kalimantan, has replaced by the resettlement program of the Ministry of Social Affairs. Soon after, the government gave their territory to the concession of the PT. Intraca Wood.” (p. 4)</p>	Dayak Punan community in East Kalimantan	Specified risk on IP rights
	<p>“AMAN also highlighted the absence of the Government of Indonesia wishes to invite Special Procedures in particular the UN Special Rapporteur on the Situation of Human Rights and Fundamental Freedom of Indigenous Peoples, to have dialogue on the situation of human rights and fundamental freedom of indigenous peoples in Indonesia.” (p. 5)</p>	Country	Specified risk on IP rights
	<p>“Therefore AMAN recommend the Government of Indonesia, the following : [...].b. To revoke Law No. 41/1999 on Forestry and Law No. 4/2009 on Mineral and Coal, which have been the sources of conflicts and human rights violation against indigenous peoples, then replace those laws with the laws that recognize and protect indigenous peoples' rights.” (p. 6)</p>	Country	Specified risk on IP rights

<p>Data provided by Governmental institutions in charge of Indigenous Peoples affairs;</p>	<p>http://www.indonesia.go.id/en/component/search/indigenous%2Bpeoples/%252F?ordering=&searchphrase=all</p> <p>Search Keyword: indigenous peoples Total: 2 results found.</p> <p>http://www.indonesia.go.id/en/regional-government/papua-province/1426-pariwisata/9426-tarian-tradisional-siap-ramaikan-fds</p> <p>"FDS [Papua Lake Sentani Festival culture, LV] aims to raise and preserve the cultural values of <u>indigenous peoples</u> of Papua and packaged in such a way into cultural packages ready for sale to the tourists, both foreign tourists and domestic tourism," he said.</p> <p>http://www.indonesia.go.id/en/regional-government/south-kalimantan-province/regional-profile</p> <p>"Culture or traditions of <u>indigenous peoples</u> of South Kalimantan tradition known as "Urang Banjar". Experts concluded that the cultural history of Banjar Urang is the combination of the Dayak tribe, ethnic Malays and ethnic Javanese."</p> <p>Currently, the Indonesian government does not have a specific ministry or office that deals with indigenous peoples. Some new initiatives may change this situation in the future:</p> <p>http://www.iwgia.org/iwgia_files_publications_files/0716_THE_INDIGENOUS_ORLD_2015_eb.pdf</p> <p><i>The Indigenous World 2015</i></p> <p>"The Ministry of Social Affairs identifies some indigenous communities as <i>komunitas adat terpencil</i> (geographically-isolated indigenous communities. [...] While Indonesia is a signatory to the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), government officials argue that the concept of indigenous peoples is not applicable as almost all Indonesians (with the exception of the ethnic Chinese) are indigenous and thus entitled to the same rights. Consequently, the government has rejected calls for specific needs by groups identifying themselves as indigenous.</p>	<p>Country</p>	<p>Specified risk on rights of IPs</p>
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	<p>On 22 December 2014, the Ministry of Environment and Forestry agreed to be the trustee of 4.8 million hectares of indigenous maps to be included in the One Map Initiative.” (p. 262)</p> <p>On 22 October 2014, President Jokowi announced a new cabinet composed of 34 ministries. AMAN welcomed his decision to merge the Ministry of Environment with the Ministry of Forestry to create the Ministry of Environment and Forestry with a commitment to sustainability. AMAN also welcomed the establishment of the Ministry of Agrarian and Spatial Planning as the main entry point for including and recognising indigenous territories.</p> <p>In the medium term, the President must fulfil his commitment to establish a permanent and independent commission on indigenous peoples in order to ensure the full enjoyment of their collective rights as constitutionally afforded them as citizens of Indonesia.” (p. 263)</p> <p>http://www.loc.gov/lawweb/servlet/lloc_news?disp3_l205404384_text</p> <p>“(Apr 29, 2015) On April 18, 2015, Indonesia's Minister of the Environment and Forestry, Siti Nurbaya Bakar, issued the "Mataram Declaration," named after the capital of the province of West Nusa Tenggara. The Declaration is part of the government's response to a May 2013 ruling of the Constitutional Court giving indigenous groups control of forested areas in which they live; that decision amounted to a relinquishment of state claims to those areas.””</p> <p>http://jakartaglobe.beritasatu.com/news/mataram-declaration-belated-recognition-indigenous-rights/</p> <p><i>In Mataram Declaration, Belated Recognition of Indigenous Rights – March 2015</i></p> <p>Mataram, West Nusa Tenggara. Proponents of the rights of indigenous groups have hailed a pledge by the Indonesian government to do more to recognize their stewardship of forests, seen as crucial in efforts to stave off deforestation.</p>		
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	<p>Environment and Forestry Minister Siti Nurbaya Bakar made the so-called Mataram Declaration last weekend in a belated response to a May 2013 Constitutional Court ruling relinquishing the state's default claims to forested areas settled and used by indigenous groups. At the signing of the declaration on Saturday in Mataram, in West Nusa Tenggara province, Siti said the government and other stakeholders were committed to expediting the process to craft policies that improved the welfare and protection of local communities and conserved the environment.</p> <p>[...] Under Joko's 2015-2019 National Mid-Term Development Plan, the administration plans to designate 12.5 million hectares of land for "social forestry," in which indigenous groups and local communities will commit to sustainable forestry practices, and nine million hectares for agriculture.</p> <p>"These [social] forests can be developed as community forests, village forests and customary forests," Siti said, adding that the agricultural land, to be staked out from former logging concessions, would go primarily to subsistence farmers.</p> <p>[...] "But the identification process isn't easy. There are a few requirements to meet before we can definitively say that a given community is an indigenous one," he said. "The process must be really selective. And this is the task of regional leaders."</p> <p>Zudan said that for a forest community to qualify, it would have to show some kind of environmentally sustainable practice in its interactions with the forest.</p> <p>"Here we need experts and help from civil society organizations," he said."</p> <p>[.] West East Nusa's Deputy Governor Muhammad Amin welcomed the declaration, but said further talks on the issue were still needed between the central government and regional administrations.</p> <p>"We realize there hasn't been a regional policy that recognizes the territorial rights of indigenous people. However, with this declaration, we hope that the people will receive greater consideration in the policy-making process," he said. "Should the synergy run smoothly, we may be able to achieve an environment-oriented development framework."</p>	12.5 million hectares designated for social forestry	Low risk on IP rights
		Country	Specified risk on IP rights
		Country	Specified risk on IP rights

	<p>[...]In prioritizing the rights of forest-dwelling communities, the government has switched from an earlier paradigm that served large corporations, said Chalil Muhammad, the chairman of the Association for Community and Ecology-Based Law Reform, or Perkumpulan HuMa.”</p> <p>http://iva.aippnet.org/indonesia-nine-government-agencies-have-declared-support-for-the-recognition-and-protection-of-indigenous-peoples-rights-in-efforts-to-reduce-deforestation/ <i>Indonesia: nine government agencies have declared support for the recognition and protection of indigenous peoples’ rights in efforts to reduce deforestation – 2 September 2014</i></p> <p>“According to a recent press report, the nine main Indonesian government agencies concerned with lands and forests have declared their support for indigenous peoples’ rights. The Declaration was issued jointly on 1st September 2014 by the Coordinating Ministry of People’s Welfare, Ministry of Internal Affairs, Ministry of Law and Human Rights, Ministry of Forestry, Ministry of the Environment, National Land Agency (BPN), the National Geospatial Information Agency, National Commission on Human Rights, and the national REDD+ Agency. The announcement was welcomed by the national indigenous peoples’ organisation, AMAN, which noted the need for legal reforms to secure their rights and efforts by indigenous peoples’ themselves to build their capacity to manage their lands and forests in line with local wisdom.”</p> <p>http://www.thejakartapost.com/news/2015/07/07/govt-redistribute-land.html <i>Govt to redistribute land - July 07 2015</i></p> <p>“To deal with rampant land disputes involving indigenous communities, the government has unveiled a plan to allocate at least 20 percent of current concession areas operated by private companies for management by local people.</p> <p>The Environment and Forestry Ministry said on Monday that the government had set a target of allocating 5.5 million hectares of forest to local people within</p>	Country	Low risk on IP rights
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	<p>the next four years, the majority of which will be taken from around 30 million hectares of concession forest.</p> <p>“The 30 million hectares of forest consists of 10 million hectares of concessions for HTI [industrial forest permits] and another 20 million hectares for HPH [production forest concessions],” the ministry’s secretary general, Bambang Hendroyono, said.</p> <p>Bambang said that the move was necessary to meet the government’s pledge to give 12.7 million hectares of forest for use by local and indigenous people in the country.</p> <p>“From these 12.7 million hectares, almost half of them will come from partnership forests in areas with long-standing conflicts [between indigenous people and private firms],” Bambang said. “This year, 2.5 million hectares of forests have to be given to local people. Therefore, 20 percent of them, or 500,000 hectares have to come from concession areas.”</p> <p>He said the 5.5 million hectares of partnership forests, as stipulated under the so-called “kemitraan” (partnership) scheme, provided an opportunity for local indigenous people to take part in industrial timber plantations by managing areas of around 20 percent of the total concession area.</p> <p>The rest of the 12.7 million hectares of land will come from open-access areas (production forests with no existing permits) in the forms of village forests, community forests or customary forests, according to Bambang.</p> <p>Despite the decision to increase the proportion of land allocated for local communities from 5 to 20 percent, the Indigenous Peoples Alliance of the Archipelago (AMAN) said that it still fell short of restoring the rights of indigenous people to manage their customary forests, estimated to encompass 40 million hectares across the country, since the new policy only covered land in partnership forests, not customary ones.”</p>	<p>2.5 million ha allocated to IPs</p> <p>Remaining IP areas</p>	<p>Low risk on IP rights</p> <p>Specified risk on Ip rights</p>
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<p>Data provided by National NGOs; NGO documentation of cases of IP and TP conflicts (historic or ongoing);</p>	<p>WALHI Wahana Lingkungan Hidup Indonesia (The Indonesian Forum for Environment, Friends of the Earth Indonesia)</p> <p>http://www.walhi.or.id/</p> <p>Website of WALHI is only in bahasa</p> <p>http://www.lifemosaic.net/eng/about/partner-countries/indonesia/</p> <p>“WALHI is the largest and oldest environmental advocacy NGO in Indonesia. It unites more than 450 NGO's throughout Indonesia's vast archipelago, with independent offices and grassroot constituencies located in 28 provinces. WALHI works on a wide range of issues, including conflict over access to natural resources, indigenous rights, marginalization of communities, pollution, deforestation, climate change, and biodiversity conservation. “</p> <p>http://www.loc.gov/lawweb/servlet/lloc_news?disp3_l205404384_text</p> <p>Groups working to promote the rights of the indigenous population are pleased with the Declaration's [Mataram Declaration, see previous box, LV] recognition of the important role local people play in caring for the forests and stopping deforestation. Abetnego Tarigan, the Executive Director of the non-governmental group Walhi (Indonesian Forum for the Environment), stated: "[l]ong before this, civil society organizations and local communities were struggling for the recognition and protection of customary land. ... Now the government has shown good faith, and we really appreciate it." (Id.) He also discussed the history of violation of indigenous peoples' land rights by the local and central governments, with land taken for logging, mining, and plantations. He added:</p> <p>There are a few policies that regulate the rights of local communities to the land, such as the 2012 law on customary forests, but they don't cover the recognition of people's customary territory, so we need another framework to guarantee it. ... This declaration should really be a form of political will for all stakeholders to push the recognition and protection of customary forests managed by the people. (Id.)</p>	<p>Country</p> <p>Country</p>	<p>Low risk on IP rights</p> <p>Specified risk on IP rights</p>
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	<p>JKPP (Indonesian Community Mapping Network)</p> <p>http://www.lifemosaic.net/eng/about/partner-countries/indonesia/</p> <p>“JKPP was established in 1996 in Bogor, West Java, Indonesia. It represents as a national network of individuals and organisations with strong experience in participatory mapping, spatial conflict advocacy and communal land rights.”</p> <p>http://www.jkpp.org</p> <p>Website of JKPP is only in bahasa</p> <p>Sawit Watch</p> <p>http://www.lifemosaic.net/eng/about/partner-countries/indonesia/</p> <p>“Sawit Watch is an Indonesian Non-Government Organisation concerned with the social and environmental impacts of oil palm plantation developments in Indonesia. Sawit Watch seeks to promote sustainable social justice through human rights based approaches in its activities. It is active in 17 provinces and networks in related districts where oil palm plantations are now being developed in Indonesia. “</p> <p>http://sawitwatch.or.id</p> <p>Website of Sawit watch is mainly in bahasa</p>	Country	-
National land bureau tenure records, maps, titles and registration (Google)	<p>http://www.iwgia.org/iwgia_files_publications_files/0716_THE_INDIGENOUS_ORLD_2015_eb.pdf</p> <p><i>The Indigenous World 2015</i></p> <p>On 22 December 2014, the Ministry of Environment and Forestry agreed to be the trustee of 4.8 million hectares of indigenous maps to be included in the One Map Initiative.” (p. 262)</p>		
Relevant census data	<p>http://sp2010.bps.go.id/</p> <p>The Number and Distribution of Population</p>		

	<p>The population of Indonesia in 2010 is around 237 641 326 people, including those residing in urban areas as many as 118 320 256 people (49,79 percent) and in rural areas as many as 119 321 070 people (50,21 percent).</p> <p>List of Tables in Topic : Population Distribution Population by Region, Type of Document, and Sex Population by Age, Urban/Rural, and Sex Population by Age Group, Urban/Rural, and Sex Population by Age Group and Sex Population by Region, Urban/Rural, and Sex Population by Age Group and Religion Population by Region and Religion Population by Age Group and Citizenship Population by Region and Citizenship</p> <p>Indonesia did not register indigenous peoples in its latest census (2010)</p> <p>http://www.cfr.org/councilofcouncils/global_memos/p33476</p> <p><i>The World Conference on Indigenous Peoples: A View From Indonesia – 22 September 2014</i> “Indonesia’s Indigenous Peoples Indonesia—a country with more than 13,000 islands spanning over 7 million square km—has a population of 253 million comprising more than 1000 ethnic and sub ethnic groups. While Indonesia has a single national language, Bahasa Indonesia, there are at least 700 local languages spoken throughout the country’s thirty-four provinces. Indonesia’s diversity and multiculturalism form the nation’s rich heritage, but also present significant challenges, particularly relating to the existence of indigenous peoples. Challenges Facing Indonesia’s Indigenous Peoples</p> <p>There is indeed complexity when talking about the challenges faced by indigenous peoples in Indonesia. The lack of accurate data about the number and locations of indigenous peoples in the country impedes efforts to fully understand their current state.</p>	Country	Specified risk for IP rights
		Country	Specified risk for IP rights

<ul style="list-style-type: none"> - Evidence of participation in decision making; - Evidence of IPs refusing to participate (e.g. on the basis of an unfair process, etc.); 	<p>From the information above we can summarize that AMAN is actively involved in a dialogue with the Indonesian government about legal and policy reforms, but is not formally involved in the governmental decision making processes. At the local level indigenous peoples are largely ignored in decision making processes regarding their traditional territories; there is no free, prior and informed consent.</p>	Country	Specified risk for IP rights
<p>National/regional records of claims on lands, negotiations in progress or concluded etc.</p>	<p>http://jakartaglobe.beritasatu.com/news/indigenous-peoples-vow-to-map-customary-forests/</p> <p>“An organization representing Indonesia’s indigenous people is determined to map out the country’s customary forests in order to save them from the encroachment of palm oil companies and other development projects.</p> <p>A recent ruling by the Constitutional Court which acknowledged that indigenous communities — and not the state — have rights over some 40 million hectares of customary forests influenced the decision to chart such lands, the Indigenous Peoples Alliance of the Archipelago (AMAN) said in a statement on Friday.</p> <p>“We have already mapped seven million hectares of land, but that took us 15 years. We need to take advantage of new mapping tools like GPS and 3D mapping to accelerate the process of charting the more than 30 million hectares we have left to document,” Abdon Nababan, the secretary general of the alliance that represents some 17 million indigenous peoples, said.</p> <p>Abdon told the Global Conference on Participatory Mapping of Indigenous Territories, which was held in Samosir, North Sumatra, over the weekend, that AMAN is aiming to map out all contested forests by 2020.”</p> <p>http://www.iwgia.org/iwgia_files_publications_files/0716_THE_INDIGENOUS_ORLD_2015_eb.pdf</p> <p><i>The Indigenous World 2015</i> On 22 December 2014, the Ministry of Environment and Forestry agreed to be the trustee of 4.8 million hectares of indigenous maps to be included in the One Map Initiative.” (p. 262)</p>	Country	Specified risk on IP rights

<p>Cases of IP and TP conflicts (historic or ongoing).) Data about land use conflicts, and disputes (historical / outstanding grievances and legal disputes)</p>	<p>http://news.mongabay.com/2014/08/indonesia-to-hear-indigenous-peoples-grievances-on-land-disputes/</p> <p><i>Indonesia to hear indigenous peoples' grievances on land disputes – 22 August 2014</i></p> <p>“Public hearings into alleged violations of indigenous peoples' land rights will open next week in Palu on the island of Sulawesi. This is the beginning of a series of hearings by the Commission on Human Rights to explore conflicts affecting indigenous people in forest areas. The Commission will travel throughout Indonesia, providing concerned parties an opportunity to meet and discuss land disputes , before submitting their findings to the next president. [...]There should be plenty of fodder for the commission. Abdon Nababan, the Secretary General of AMAN, the Indigenous Peoples Alliance of the Archipelago, says that neglect and violation of indigenous human rights Indonesia has been extraordinary. AMAN has identified 2,230 indigenous communities that are asking for investigations. During 2013 alone, the group recorded 150 new cases of rights violations.</p> <p>[...] Noer Fauzi Rachman, Director of the Sajogyo Institute for Indonesian Agrarian Studies and Documentation, said that human rights violations have been widespread and systemic, largely due to confused and conflicting implementation of the law.”</p> <p>http://ifnotusthenwho.me/human-rights-commissioner-says-long-awaited-report-will-reveal-significant-violations-in-rights-of-indonesias-indigenous-peoples/</p> <p>“JAKARTA—(13 March 2015) A member of Indonesia's National Commission of Human Rights today revealed that the commission's report—to be released in May—will reveal a history of significant human rights violations affecting indigenous peoples in forests throughout the Archipelago, many of whom are under threat from growing global demand for timber, carbon stock, palm oil and mineral wealth.</p> <p>“We are finding violations of the right to property, to live, to a fair trial, to feel safe, to an adequate standard of living,” said commissioner and researcher Sandra Moniaga, speaking at a press briefing in Jakarta. “These are covering every imaginable realm of life, whether economic, social, cultural, or political.””</p>	<p>Country</p>	<p>Specified risk on IPs rights</p>
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		Country	Specified risk on IP rights

	<p>[...] Accompanying the clearing of forests are hundreds of cases of conflicts and land grabs of local communities' lands linked to palm oil expansion. Sawit Watch has identified 731 such current land conflicts, although these are only the ones that are recorded – many others do not have access to NGO and civil society groups to report to.”</p> <p>http://www.insideindonesia.org/an-agrarian-reform-agenda-for-jokowi</p> <p><i>An agrarian reform agenda for Jokowi – 12 October 2015</i></p> <p>Land conflicts in Indonesia have risen over the last ten years, as private investors and the government have acquired large tracts of land without respecting the rights and interests of local users. In 2013 alone, land conflicts in Indonesia caused 22 deaths due to violent clashes and involved almost 140,000 households, according to <u>Agrarian Reform Consortium (KPA)</u> [KPA is an organization of people's movement, LV] figures. Over the course of Susilo Bambang Yudhoyono's (SBY) ten-year presidency, the organisation recorded 1391 land conflicts causing 70 deaths, involving five million hectares of disputed land and 926,700 households. Such land-grabbing most often involves land designated as 'forest area', according to the KPA, or former forest areas converted for non-forest uses such as mining, plantations and infrastructure. Adat (indigenous) rights to land are an important element of these conflicts, because large tracts of indigenous customary lands are located within forest area, which the government controls. Historically, the government has often claimed such customary lands to be 'idle' or 'empty', and transferred them to private investors.</p> <p>[...] Indonesia stands at the forefront of this global trend. Between 2000 and 2012, investors acquired 9.5 million hectares of land in Indonesia, the largest in the world, according to Land Matrix figures. Even these figures may be an underestimate, as land deals are not always transparent or may go unreported. Such large-scale, globally-oriented investment poses a real threat to indigenous communities, whose customary rights to land receive insufficient recognition and protection. National development programs to support investment by providing better infrastructure and sufficient labour through transmigration exacerbate the threat, because they drive further land acquisition.”</p>	Country	Specified risk on IP rights
		Country	Specified risk on IP rights
		Country	Specified risk on IP rights

	http://www.thejakartapost.com/news/2015/07/07/govt-redistribute-land.html <i>Govt to redistribute land - July 07 2015</i> “Forest areas have regularly been used by large corporations for industrial logging, pulp and paper and palm oil plantations. These forest conversions have been the major cause of conflicts between government and local communities, who feel victimized by land seizures and the lack of benefits received from forest conversions. Data from AMAN shows that 143 customary land disputes occurred throughout the country last year. According to National Commission on Human Rights (Komnas HAM) data, last year saw the highest number of complaints, with 7,000 cases reported; 20 percent of which related to land disputes that involved police and corporations.”	Country	Specified risk on IP rights
Social Responsibility Contracts (<i>Cahier des Charges</i>) established according to FPIC (Free Prior Informed Consent) principles where available	Not applicable in Indonesia	-	-
Google the terms '[country]' and one of following terms 'indigenous peoples organizations', 'traditional peoples organizations', 'land registration office', 'land office', 'indigenous peoples', 'traditional peoples', '[name of IPs]', 'indigenous peoples+conflict', 'indigenous peoples+land rights'	http://www.cfr.org/councilofcouncils/global_memos/p33476 <i>The World Conference on Indigenous Peoples: A View From Indonesia – 22 September 2014</i> “Indonesia’s Indigenous Peoples Indonesia—a country with more than 13,000 islands spanning over 7 million square km—has a population of 253 million comprising more than 1000 ethnic and sub ethnic groups. While Indonesia has a single national language, Bahasa Indonesia, there are at least 700 local languages spoken throughout the country’s thirty-four provinces. Indonesia’s diversity and multiculturalism form the nation’s rich heritage, but also present significant challenges, particularly relating to the existence of indigenous peoples. Challenges Facing Indonesia’s Indigenous Peoples There is indeed complexity when talking about the challenges faced by indigenous peoples in Indonesia. The lack of accurate data about the number and locations of indigenous peoples in the country impedes efforts to fully		

	<p>understand their current state. Despite the lack of data, it is commonly understood that indigenous peoples are facing hardship, and widespread poverty is one of the main indicators. Indigenous people frequently lose the rights to their land and other natural resources in the name of development. In addition, the state continues to transfer land ownership to private industrial companies without implementing the process of free, prior, and informed consent. In this case, impoverishment of indigenous peoples is due to the lack of legal recognition of their right to adat (local) and natural resources.””</p> <p>http://jakartaglobe.beritasatu.com/environment/indonesias-forest-communities-victims-of-legal-land-grabs/</p> <p><i>Indonesia's Forest Communities Victims of 'Legal Land Grabs'</i> “Indonesia’s rainforests are facing “legal land grabs,” nongovernmental organizations have alleged. Its ancient communities are finding that ancestral lands are slipping into the hands of foreign companies for oil palm cultivation, as demand for the product grows in Europe, India and China.</p> <p>"There are 33,000 villages in Indonesia's forest zone and many thousand more in areas marked for agriculture," said Marcus Colchester, a senior policy adviser at Forest Peoples Program, an international NGO.</p> <p>"The government allocates these areas to companies without even consulting the communities. So concessions have been handed out over lands where these communities have lived for hundreds or even thousands of years," he told IPS.</p> <p>http://jakartaglobe.beritasatu.com/news/dayak-iban-people-wont-give-fight-ancestral-lands/</p> <p><i>Dayak Iban People Won't Give Up Fight for Ancestral Lands</i> “The conflict in Semuning Jaya is one of a litany of near-identical tales of plantation, logging or mining operations muscling in on land long inhabited by indigenous groups. Of the 6,000 complaints of rights violations lodged with the National Commission for Human Rights, or Komnas HAM, a fifth relate to land</p>	Country	Specified risk on IP rights
		Country	Specified risk on IP rights
		Country	Specified risk on IP rights

	<p>disputes. [...] Activists have also praised Joko's plan to create a national commission focusing on Indonesia's 70 million indigenous people, who make up roughly 29 percent of the country's 240 million inhabitants."</p> <p>http://www.wri.org/blog/2015/09/3-ways-strengthen-customary-land-rights-indonesia</p> <p><i>3 Ways to Strengthen Customary Land Rights in Indonesia – 9 September 2015</i></p> <p>"Thirty percent of Indonesia's territories have been handed over to private companies as concessions, with many of them overlapping with indigenous lands. Since then, Indonesia has undergone significant reform and is moving in the right direction in terms of recognizing customary land rights. However, such efforts are beset by challenges, the most recent of which was the Ministry of Environment and Forestry's decision to postpone the formation of a task force to protect indigenous peoples' customary land rights.</p> <p>[...]The task force is an important step towards ratifying the Indigenous People's Rights Acknowledgment and Protection Bill (PPMHA), which would define indigenous communities and set up procedures to settle customary land disputes. The measure was labeled a priority for 2014 but was not enacted. Since then, President "Jokowi" has reiterated his commitment to ratify the bill. Such a decision would follow the landmark 2013 Constitutional Court ruling recognizing indigenous peoples' lands as no longer being a part of state forests. The Ministry of Environment and Forestry recently announced that it will redistribute 12.7 million hectares (about 31 million acres) of concessions and state forests as village, community and partnership forests in the next four years. This redistribution is another good move, but must be accompanied by effective implementation. According to Indigenous People's Alliance of the Archipelago (AMAN), indigenous lands cover between 40 and 70 million hectares (between 99 and 173 million acres) in Indonesia.</p> <p>[...]As the largest palm oil producer in the world, Indonesia has made progress in working with businesses to move towards zero-deforestation palm oil. President "Jokowi" recently extended a moratorium on issuing new conversion permits for primary forest and peatlands, putting the total land covered by the moratorium at just over 65 million hectares (160 million acres). Indonesia has also initiated the Indonesia Palm Oil Pledge (IPOP), a partnership between the</p>	Country	Specified risk on IP rights
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	<p>Indonesian Chamber of Commerce and Industry (KADIN) and palm oil companies to improve sustainability and make palm oil deforestation-free. This follows efforts by many major palm oil companies to sign on to a zero-deforestation pledge; these companies cover 96 percent of global palm oil production.</p> <p>[...]AMAN recently provided 604 customary land maps to the director-general for social forests in the Ministry of Environment and Forestry. These maps cover a total of 6.8 million hectares (17 million acres) and is a promising early sign of collaboration between AMAN and the ministry. Indonesia's One Map Initiative, unveiled by the National Data Spatial Infrastructure (NDSI) in 2014 aims to resolve disputes over overlapping land use permits. But that initiative only included some 4.8 million hectares (12 million acres) of indigenous lands, a fragment of Indonesia's estimated total. Such a map or database needs more maps of customary lands and state forests to seriously represent indigenous peoples' rights."</p>		
Additional general sources for 2.3	Additional specific sources	scale of risk assessment	risk indication
	No additional sources found		
From national CW RA	Not available		
Comment from Joern Struwe (email 06-11-2015)	<p>I do not understand the conclusion 'Low risk for Malinau Regency's district and the rest of the country.' Apart from that, all the information in respect to indicator 2.3 is very well researched and summarized.</p> <p>Comment consultant: I have taken out 'and the rest of the country' as it seems to be confusing. What I meant was that when there are no customary forests of indigenous or traditional peoples there is low risk.</p>		

<p>Comments from Public Consultation Meeting on draft of Centralized Risk Assessment for Indonesia FSC-CNRA-ID V1-0 EN DRAFT</p> <p>Bogor, 2 Desember 2016</p>	<p><i>Name/s of stakeholder/s who provided these responses is not known:</i></p> <ul style="list-style-type: none"> - “Specified for customary forest, but strange because is determined Low Risk for Malinau District and rest of Country. Low risk status should be only in Java (private land).” Response from the consultant: I have taken out ‘and the rest of the country’ as it seems to be confusing. What I meant was that when there are no customary forests of indigenous or traditional peoples there is low risk. - “Indeed, Malinau has program of Conservation District, but is not relevant.” Response from the consultant: After having reviewed all comments and feedback from the internal review and external consultation, we have made an amendment in the conclusion of indicator 2.3, regarding Malinau Regency’s district (see below) and modified the risk assessment to “specified risk” for “the whole country. - “Determination on indigenous people a bit strange, because the status is specified risk for indigenous people. Which is related to social become low risk, but for customary forest become specified. It is contrary.” Response from the consultant: It is not clear what the stakeholder meant with this comment. - “There is a trend to claim the land in the name customary rights, which is bigger than indigenous land. Government has no regulation and power to avoid this.” Comment consultant: The Specified is risk designation is not for ‘Indigenous land’ but for ‘customary forests’ of indigenous or traditional peoples. No information was found in the assessment that other than indigenous or traditional communities have justified customary rights claims and that these are not effectively protected. If specific evidence is provided that this is the case than the area for Specified Risk should be extened to include such areas as well. - “In Central Kalimantan there is local regulation on Social Forestry Area (HKm), which is derivate from MoEF regulation no 83. But this 	<p>Central Kalimantan</p>	<p>Specified risk for</p>
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	<p>regulation was not disseminated well, so Partnership HKm which should be determined on the land which has no any rights on, and the concession should provide an access for community to the forest. But the implementation was breach the rules, and there are an encroachment done by community.” Response from the consultant: Thanks for the additional information.</p> <p>- “Category 2 also part of PfA. If it is not addressed well, it is possible to influence the assessment in the context of PfA. It is suggested for consultant to evaluate this indicator more comprehensive. It can be done through region/island approach (Sumatera, Kalimantan, Java, Papua etc). It has been done when determined the risk for category 3.” Response from the consultant: It is up to the national FSC Office to do more refined research, either within or outside the context of this CNRA.</p> <p>General response from the consultant: We took these responses into account and adapted the risk designation below.</p>		customary rights
<p>Conclusion on Indicator 2.3:</p> <ul style="list-style-type: none"> Indonesia has a population of approximately 250 million. The government recognises 1,128 ethnic groups. While Indonesia has a single national language, Bahasa Indonesia, there are at least 700 local languages spoken throughout the country's thirty-four provinces. The Ministry of Social Affairs identifies 365 indigenous communities as komunitas adat terpencil (geographically-isolated indigenous communities). While Indonesia is a signatory to the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), government officials argue that the concept of indigenous peoples is not applicable. However, many peoples self-identify or are considered by others as indigenous. Recent government Acts and Decrees use the term <i>masyarakat adat</i> to refer to indigenous peoples. The national indigenous peoples' organisation, <i>Aliansi Masyarakat Adat Nusantara</i> (AMAN), estimates that the number of indigenous peoples in Indonesia falls between 50 and 70 million people. The lack of accurate data about the number and locations of indigenous peoples in the country impedes efforts to fully understand their current state. AMAN itself has 102 local chapters, comprising 2,244 member communities, representing around 15 million people. AMAN estimates the customary forests of indigenous peoples in Indonesia to encompass 40 million hectares across the country, of which it has now mapped around 7 million hectares, aiming to finalize the mapping by 2020. 		Country,	Specified risk

<ul style="list-style-type: none"> The ILO Convention 169 is not ratified and UNDRIP is endorsed, but not effectively enforced. The third amendment to the Indonesian Constitution recognises indigenous peoples' rights in Article 18b-2. In more recent legislation, there is implicit recognition of some rights of peoples referred to as masyarakat adat or masyarakat hukum adat, including Act No. 5/1960 on Basic Agrarian Regulation, Act No. 39/1999 on Human Rights, and MPR Decree No X/2001 on Agrarian Reform. Act No. 27/2007 on Management of Coastal and Small Islands and Act No. 32/2010 on Environment clearly use the term masyarakat adat and use the working definition of AMAN. In decision No. 35/PUU-X/2012, the Constitutional Court confirmed that Customary Forests are forests located in Indigenous territories, and should no longer be considered as State Forests. However, the Ministry of Forestry requires local governments to set up regulations to identify customary forests. Thus, it will be a long and difficult process before Indigenous Peoples have and manage their own forests. Other influential laws and policies which have strong impacts to Indigenous Peoples Rights, like Law No. 41/1999 on Forestry and Law No. 4/2009 on Mineral and Coal are still remain threaten to Indigenous Peoples. The government classes 70% of Indonesia as state controlled forests, while very few traditional landholdings are formally recognized. Customary rights holders have no legal basis to oppose large-scale forest clearance or to refuse the imposition of agribusiness developments. Local authorities often allocate lands to outsiders without visiting the areas or informing the people affected. Until recently it was almost unheard of for forestry officials to consult communities before awarding logging licenses or plantation concessions, and today compensation for loss of lands may be as low as US\$20 per hectare or, more usually, about \$70 per hectare. <p>The newly elected President Jokowi undertook to push for the adoption of the Indigenous Peoples Act, conduct policy reform and establish an independent commission on indigenous peoples. However, the law has not yet been adopted and the establishment of the independent commission, or task force has been postponed. On 1 September 2014, the Indonesian Vice-President launched a National Program for the Recognition and Protection of Indigenous Peoples. The Declaration was signed by nine ministries/institutions. The Program has a number of targets ranging from the establishment of laws and regulations, legal reform, administrative tools, recovery and institutional strengthening of indigenous peoples and local government. Articles 21 and 47 of the Plantation Law were revoked in line with a Constitutional Court decision which deemed these to be out of line with the Indonesian Constitution. A moratorium on new permits over primary forests and carbon-rich peatland areas was imposed and extended for an additional two years until 2017. Indonesia's National Forestry Council has now adopted the principle of FPIC in its latest paper on how to implement FPIC in REDD+ projects as part of its national REDD+ strategy. However, it should be noted that the Bahasa Indonesia translation of the document sees 'consent' translated as 'consultative process'. The Ministry of Environment and Forestry agreed to be the trustee of 4.8 million hectares of indigenous maps to be included in the One Map Initiative. In cases of permits issued to private companies where the target areas overlap with indigenous territories, a special procedure will apply with regard to indigenous rights, but this is not yet in effect. The Ministry of Environment and Forestry pledges to give 12.7 million hectares of forest for use by local and indigenous people in the next four years. In 2015, 2.5 million hectares of forests have to be given to local people.</p> <p>In December 2013, the Regional House of Representatives adopted as Malinau Regency's Local Regulations:</p> <ul style="list-style-type: none"> The Local Regulation on Indigenous Institutions enables institutions of indigenous peoples in the Malinau Regency to strengthen indigenous governance and justice systems, settle disputes, and provide a sphere for the local government to conduct activities for the empowerment and strengthening of indigenous institutions. Moreover, the regulation supports an Indigenous Council, whose 		
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<p>functions and authority includes conflict resolution between indigenous institutions, proposing development coherent with indigenous values, and conducting research and providing recommendations to local government.</p> <ul style="list-style-type: none"> - The Local Regulation on the Protection of Potential Agricultural Land for Food for Indigenous Peoples provides opportunities for indigenous peoples to freely use, protect, and preserve edible plants in use for generations, and often unfamiliar to mainstream society. The regulation guarantees food security for indigenous peoples, clarifying the basis for indigenous land use and ownership, and limiting reassignment of agricultural land. As well, it obliges local government to, inter alia, identify indigenous peoples' land utilized to ensure food security, and take necessary steps to defend land not only food security, but also food sovereignty for indigenous peoples in Malinau Regency. <p>In a context of good governance, this development in Malinau Regency's district could lead to the conclusion of 'low risk' for indigenous peoples' right in this district. However, there is yet no evidence showing that the regulation actually is enforced. We then have to take other factors into account. In the country context at the beginning of this category 2 assessment, we concluded that "Indonesia scores low to medium on almost all indicators reviewed in this section on the country context, such as in relation to press freedom, peace, governance and absence of corruption. Having this said, the past decade shows a clear tendency towards improvements in the WorldBank Governance indicators, such as Regulatory Quality, Rule of Law, and Control of Corruption." Nevertheless, they are still in the range of 'specified risk'. In addition, category 1 designated 'specified risk' to almost all the 21 indicators concluding a very weak implementation of regulations. We therefore cannot conclude 'low risk' for Malinau Regency's district.</p> <ul style="list-style-type: none"> • There is significant evidence of violations of legal and customary rights of IPs; There are increased reports of excessive use of force and extrajudicial killings by the police and the military during protests, particularly in West Papua, Bima and West Nusa Tenggara as well as reports that the State party uses its security apparatus to punish political dissidents and human rights defenders. Land allocations and concessions trigger resistance and repression by the army and police, accompanied by arrests, violence and killings. During 2014, the National Commission on Human Rights (Komnas HAM) led a National Inquiry on Indigenous Peoples' Rights to their Territories in Forest Areas. Initial findings from the series of regional public hearings show individual and collective human rights violations against indigenous peoples, with indigenous women and children in the most vulnerable position. The problems are wide-ranging and often unresolved, including but not limited to: unclear and overlooked boundaries of indigenous peoples' territories; overlapping licenses; manipulation of licenses by the government and companies; unresolved legal cases brought against defendants for various forms of violence against, criminalization of and systematic crimes against indigenous peoples; the bias and consolidated use of military and private security guards by corporations; and a lack of just, thorough and multi-sectoral conflict resolution. Around 40 cases have been reported to the commission during its inquiry. 		
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<ul style="list-style-type: none"> • There are conflicts of substantial magnitude²⁰ pertaining to the rights of Indigenous and/or Traditional Peoples and/or local communities with traditional rights; AMAN has identified 2,230 indigenous communities that are asking for investigations. During 2013, AMAN accepted hundreds of cases relating to the grabbing of land and natural resources owned and managed by indigenous peoples for generations. The National Land Agency of Indonesia calculates that there are about 4,000 conflicts related to palm oil and land only in Indonesia. Sawit Watch has identified 731 cases of conflicts and land grabs of local communities' lands linked to palm oil expansion and mentions that these are only the ones that are recorded – many others do not have access to NGO and civil society groups to report to. Over the course of Susilo Bambang Yudhoyono's (SBY) ten-year presidency, (2004-2014) the Agrarian Reform Consortium (KPA) recorded 1391 land conflicts causing 70 deaths, involving five million hectares of disputed land and 926,700 households. According to the National Commission on Human Rights (Komnas HAM) data, last year (2014) saw the highest number of complaints, with 7,000 cases reported; 20 percent of which related to land disputes that involved police and corporations. • There are no recognized laws and/or regulations and/or processes in place to resolve conflicts of substantial magnitude pertaining to TP or IP rights and/or communities with traditional rights; Although at the national level, AMAN continued to engage closely with different government entities and decision-making processes, and was able to effectively make use of a judicial review before the Constitutional Court regarding the constitutional rights of indigenous peoples to their land and territories, including their collective rights over customary forest, this has not yet resulted in effective implementation of their rights. Indigenous peoples aren't given the option to reject projects to be carried out on their territory, even though those projects potentially affect their lives in various ways. Indigenous peoples are not provided with a space or a means to pursue dialog with the government, or with private parties that obtain concession licenses to manage indigenous territories. Those who oppose these developments will face an oppressive reaction from the 		
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²⁰ For the purpose of the Indicator 2.3, a conflict of substantial magnitude is a conflict which involves one or more of the following:

- a) Gross violation of the legal or customary rights of indigenous or traditional peoples;
- b) Significant negative impact that is irreversible or that cannot be mitigated;
- c) A significant number of instances of physical violence against indigenous or traditional peoples;
- d) A significant number of instances of destruction of property;
- e) Presence of military bodies;
- f) Systematic acts of intimidation against indigenous or traditional peoples.

Guidance:

In the identification of conflicts of substantial magnitude one must also be aware of possible parallel activities of other sectors than the forest sector that also impact the rights of indigenous/traditional peoples and that there can be a cumulative impact. This cumulative impact can lead to a 'gross violation of indigenous peoples' rights' or 'irreversible consequences' but the extent of the contribution of forest management operations needs to be assessed. The substance and magnitude of conflicts shall be determined through NRA development process according to national/regional conditions. NRA shall provide definition of such conflicts.

<p>government, in most cases supported by security forces, either the military or the police. This is aggravated by the weak capacity of these communities to document cases and to understand dispute settlement. there is no ministerial level institution with the mandate to resolve the prolonged land conflicts.</p> <ul style="list-style-type: none"> There is no evidence that can demonstrate the enforcement of the laws and regulations identified above; An estimated 8,510 million ha of plantations and 8,855 million ha of mining zones are believed to be illegal, while only a minority of logging operations fully comply with environmental and other regulations; The Ministry of Forestry continued in 2014 to include forest lands claimed by indigenous communities within state forest concessions awarded to timber and plantation companies; The highly restrictive Forestry Law has led to the continued criminalization of indigenous peoples who try to access their forests, with many members of indigenous communities coming into conflict with the law. In addition, the Law on Prevention and Eradication of Forest Destruction, which was adopted three months after the Constitutional Court ruling, continued to bar indigenous peoples from living in their forests; The majority of law enforcement officers are directly violating reform procedures, often making arrests without warrants and so on. In some cases, it appears that these officials even directly position themselves as the protector of companies, while the National Police Commission, which is mandated to receive public complaints against law enforcement personnel, is weak as it has neither powers to summon law enforcement personnel nor the mandate to conduct independent investigations; (refer to Category 1). <p>The following ‘specified risk thresholds’ apply, based on the evidence:</p> <p>(23) The presence of IP and/or TP is confirmed or likely within the area. The applicable legislation for the area under assessment contradicts indicator requirement(s) (refer to 2.2.6); AND</p> <p>(24) Substantial evidence of widespread violation of IP/TP rights exists; AND</p> <p>(26) There is evidence of conflict(s) of substantial magnitude pertaining to the rights of IP and/or TP. Laws and regulations and/or other legally established processes do not exist that serve to resolve conflicts in the area concerned, or, such processes exist but are not recognized by affected stakeholders as being fair and equitable. Note under threshold No 20 applies.</p>		
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Controlled Wood Category 3: Wood from forests in which high conservation values are threatened by management activities

GLOSSARY

APL	Area Penggunaan Lain
ASEAN	Association of Southeast Asian Nations
AuA	Area(s) under Assessment
BMKG	Agency of Meteorology, Climatology, and Biophysics
BPHH	Bina Produksi Hasil Hutan
BUMN	Badan Usaha Milik Negara
CBD	Convention on Biological Diversity
CBFM	Community Based Forest Management
CI	Conservation International
CITES	Convention on International Trade in Endanger Species
CNRA	Centralized National Risk Assessment
CNRAF	Centralized National Risk Assessment Framework
CPF	Convertible Production Forest

CR	Critically Endangered
CSR	Corporate Social Responsibility
DRR	Diamond Raya Timber
EBA	Endemic Bird Area
EN	Endangered
FAO	Food and Agriculture Organization
FSC	Forest Stewardship Council
GDP	Gross Domestic Product
GIS	Geographical Information system
HCV	High Conservation Value
HCVF	High Conservation Value Forest
HCVRN	High Conservation Value Resource Network
HKM	Hutan Kemasyarakatan
HPH	Hak Pengusahaan Hutan
HTR	Community Plantation Forest
IAS	Invasive Alien Species
IBA	Important Bird Areas
IBSAP	Indonesian Biodiversity Strategy and Action Plan

IFL	Intact Forest Landscape
ITTO	The International Tropical Timber Organization
IUCN	International Union for Conservation of Nature
IUPHHBK	Izin Usaha Pemanfaatan Hasil Hutan Bukan Kayu
IUPHHK	Izin Usaha Pemanfaatan Hasil Hutan Kayu
IUPJL	Izin Usaha Pemanfaatan Jasa Lingkungan
IUPK	Izin Usaha Pemanfaatan Kawasan
KPH	Kesatuan Pemangku Hutan
KPPN	Conservation Area
LEI	Indonesian Ecolabeling Institute
LIPI	Lembaga Ilmu Pengetahuan Indonesia
LPF	Limited Production Forest
MEF	Ministry of Environmental and Forestry
NTFP	Non Timber Forest Product
PEFC	Programme for the Endorsement of Forest Certification
PHKA	Perlindungan Hutan dan Konservasi Alam
PHPL	Sustainable Production Forest Management
PPF	Permanent Production Forest

R	Rare
RAPP	Riau Andalan Pulp and Paper
RIL	Reduce Impact Logging
RSPO	Roundtable on Sustainable Palm Oil
RTRWP	Rencana Tata Ruang Wilayah Provinsi; Regional Spatial Planning
SI/MAB	The Smithsonian Institution's Monitoring and Assessment of Biodiversity Program
SVLK	Timber Legality Assurance
TBI	The Borneo Initiative
TNC	The Nature Conservancy
TPTI	Tebang Pilih Tanam Indonesia
UNESCO	The United Nations Educational, Scientific and Cultural Organization
Vu	Vulnerable
WWF	World Wildlife Fund

Overview

Until the present, there is no specific HCV national assessment available at the country level and thus the HCV concept is not recognized by the government. Indonesia composes of tropical rainforest ecosystems which vary from mangrove, swamp, riparian forest and hilly dipterocarp forest to montane and cloud forest. Most of its tropical rainforests are located in Sumatra, Sulawesi, Kalimantan and Papua, and harbour more than 4,000 tree species. Only 120 hardwood species are identified for large scale commercial uses and of these, about 48 (mainly *Dipterocarpus spp.*) are used in the plywood industry. In the province of Java, currently most of the forests are managed as plantation forests, either managed by the government or by single state-owned enterprises entity and a growing number of private smallholders.

Based on the Forestry Act No.41 year 1999, all forests within the country, except forest owned privately or grown on private land which located in APL (Other Land Use), are owned by the state. According to its biophysical condition, forests area in Indonesia is classified based on its function: conservation, protection, and production forest (production forests are further categorised into limited production forest, permanent forest, and conservation forest) - see chart below for more details on the functional delineation of forests in Indonesia.

Conservation forest covers nature reserves, nature conservation forest and game reserves. Recent data from the Ministry of Environment and Forestry (Directorate General of Planology, 2015) showed the official figure of 126,09 million hectare of forest land including aquatic areas, of which the total forested land is 120,773,429.71 hectares, 18% is designated for conservation forest, 25% is designated for protection forest, and 11% is designated for conversion to other uses. The remaining 46% is managed for timber and other forest product production. Previously and until present day, timber for export is mainly sourced from state owned and private owned enterprises/companies.

Indonesia also classified its forest based on forest type coverage, totalling about 23 classes that can be summarized in 4 categories:

- 1) Primary forest (45,231,759 ha),
- 2) Secondary Forest (45,116,500 ha),
- 3) Plantation forest (4,690,333 ha), and
- 4) Non-forest (96,846,621).

Timber harvesting activities in primary and secondary forest are allowed only in the limited production forest and permanent production forest areas. Timber can also be generated from community based forest areas, which are mostly plantation forests that are managed privately by local/indigenous communities or individuals. Timber can also be harvested in private lands. Private land owned by communities is normally in form

of secondary forest and non-forest. Non-timber forest products harvesting is allowed in most of the forest types except for protected forests (Hutan Lindung) with the exception only for local communities or indigenous peoples. Otherwise, commercial NTPFs operations require specific permits.

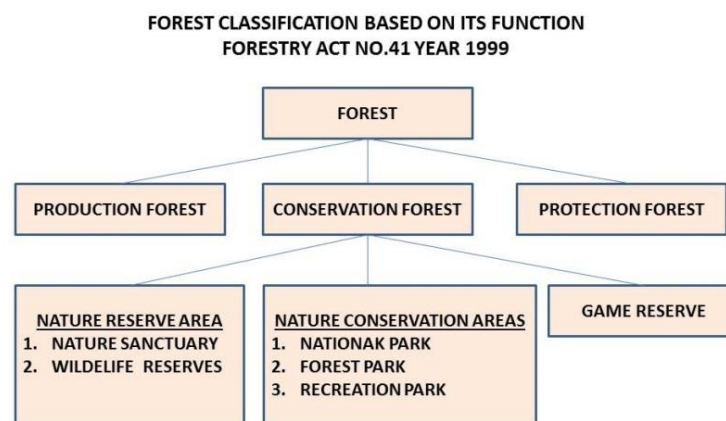
The following are the forest types based on their function (Act No.41/1999, Government Regulation No. 6/ 2007 on Forest Arrangement and Forest Management Planning and Forest Utilization, Government Regulation No. 3 /2008 (revised of Government Regulation no. 6/2007 on Forest Arrangement and Forest Management Planning and Forest Utilization):

1. Protection Forest (Hutan Lindung) - Forest area with specific function to protect the life supporting systems. Due to its physical features, this forest is mainly allocated for hydrological control, flood and erosion prevention, and soil fertility maintenance. In general, forest assigned for protection is located more than 500 meters above sea level. However, any deviation from the threshold of 500 meters above sea level can be done by considering the following: a) Location and forest condition; b) Topography; c) Climate; d) Local community situation and condition, and other matter that is further considered (Government Regulation No.33, 1970). The total area of protection forest is 29, 6 million hectares.

The type of management activities that are allowed within protection forests are forest conservation, environmental services and non-timber forest products. These activities require special permits from the government and they cover: 1) IUPK, 2) IUPJL and 3) IUPHHBK. IUPK includes utilization of forest for medicinal plants, ornamental plants, mushrooms, honey, wildlife captive breeding, animal rehabilitation and forage for cattle. IUPJL includes utilization of forest for water, nature recreation, biodiversity protection, environmental safeguard, carbon stock and sequestration. IUPHHBK is a permit for non-timber forest production in protection forest and includes rattan, honey, latex, fruits, mushrooms or swallow's nests (from bird of *Collocalia fuciphaga*). **Timber production is not allowed in protection forests.**

2. Production Forest (Hutan Produksi) – Forests area allocated for timber and non-timber forest production to meet community needs, country development and particularly for export. This type of forest is further classified into Limited Production Forest (LPF), Permanent Production Forest (PPF), and Convertible Production Forest for other uses (CPF). Under further classification, PPF and LPF located in primary forest are leased to forest concessionaires that are granted permits by the government to manage the forest for timber production using Indonesia Selective Cutting and Planting (TPT I-Tebang Pilih Tanam Indonesia- Keputusan Direktur Jenderal Pengusahaan Hutan No. 564/Kpts/IV-BPHH/89 and No. 151/Kpts/IV-BPHH/1993). The difference between PPF and LPF is on the diameter limit of harvest, where PPF allow for a diameter harvest limit ≥ 50 cm and LPF only allows diameter harvest limit of ≥ 60 cm and up. The total area of production forest is 68.90 million hectares. The types of forest management that are allowed in production forests include: timber, environmental services, ecosystem restoration, and non-timber forest products.

3. Conservation Forest (Hutan Konservasi) – Forest areas containing unique biodiversity characteristics (ecosystem, species, habitat, etc.) that are allocated for preservation of flora, fauna and ecosystems. Conservation forest includes: 1) Nature Reserve Forest (Nature Reserve and Wildlife Reserve); and 2) Nature Conservation Forest (area with special character, either terrestrial or aquatic, and it has a life supporting system function, flora and fauna preservation, and also for sustainable use of its natural resources and its ecosystem services). Nature Conservation Area comprises of National Park, forest park and nature recreation park) and 3) Game Reserve. Conservation areas consist of aquatic (5, 32 million ha) and terrestrial (22, 11 million ha) (Kementerian Kehutanan RI. Statistik Kementrian Kehutanan 2013). Forest utilization is not allowed in Nature Reserve, Core zone and wilderness zone within the National Park. Type of management activities that are allowed within conservation forests include: forest for timber products, environmental services and non-timber forest products, thus special permits given by government include: 1) IUPK, 2) IUPJL, 3) IUPHHK, and 4) IUPHHBK. IUPK covers utilization of forest for: medicinal plants, ornamental plants, mushrooms, honey, wildlife captive breeding, animal rehabilitation and forage for cattle. IUPJL covers utilization of forest for water, nature recreation, biodiversity protection, environmental safeguard, carbon stock and sequestration. IUPHHBK is a permit for non-timber forest production in conservation forests which includes rattan, honey, latex, fruits, mushrooms or swallow's nest (from bird of *Collocalia fuciphaga*). Timber production is allowed in these forests but only under a special permit, such as community timber plantation originated from utilization zone of the national park.



From a total forest area of 96 million ha, **45 million ha or 46.9% are composed of primary forest, 46 million ha or 48.1 % of secondary forest** and the remaining **5% is plantation forest**. The largest extent of primary forest is located in the protection forest, while secondary forest is situated within production forests and partially in protection forests. Plantation forests mostly occur in production forest. APLs (area for other uses) is mainly in found within secondary forests.

Additionally, wood can originate from agroforestry systems or small private forestry plots. These areas are not recognized as forest under Indonesian legislation.

Indonesia has ratified Convention on Biological Diversity (CBD) through Act No. 5 year 1994 concerning on Ratification of United Nation Convention of Biological Diversity. By ratifying this convention, Indonesia is mandated to address a number of targets stated under the convention. Among of the progress to meet the targets are reported in the 5th National Report to the Convention on Biological Diversity Report published by Ministry of Environment and Forestry (MEF) in 2014. MEF is assigned by United Nations as the focal point for biodiversity in Indonesia. This report convey the status on biodiversity in Indonesia and also identify the main threats to biodiversity as habitat changes, influx of invasive alien species, pollution, over exploitation and climate change. These must be addressed through implementable action plans and strategy. Therefore, Indonesia developed and in the process of updating Indonesian Biodiversity and Action Plan (IBSAP) 2015-2020. The report contains also progress achievement towards 2011-2020 (Aichi Targets) Global Biodiversity Targets and progress towards the achievement of Millennium Development Goals (MDGs) targets. In addition, government of Indonesia also issued a number of policy and regulation to support the implementation of biodiversity targets. In the report, not only species diversity is recorded and updated the current condition and extent of the important ecosystems is also reported such as karst, mangrove, peat land, swamp, wetlands, and lakes. Report also includes the updated of forest coverage in Indonesia.

The first HCVF toolkit (2003) was adopted in Indonesia based on High Conservation Values identified under the FSC's forest management Principle Nine. This Indonesian HCVF Toolkit development involved a number of experts and various members of non-government organization such as LATIN, TNC-Indonesia, WWF-Indonesia, Fauna-Flora International Indonesia, LEI, CIFOR, ProForest, Rainforest Alliance and many others. After a number of stakeholder consultations and field testing in East Kalimantan in January 2003, this Toolkit is formally used to carry out HCVF assessment by those who are applying FSC certification. In 2008, a revised version was published. In 2013 HCVRN published a new HCV Global, Common Guidance for Identification of HCV (no longer use term HCVF since the use of HCV concept has been applied not only for forest areas). And since then, Indonesian stakeholders have been starting to revise the Indonesian Toolkit in line with new HCV Common Guidance. The Indonesian Toolkit revision is still under the progress. However, this HCV (F) concept still has not been acknowledged by the Indonesian government. There is no formal legal recognition to the use of HCV concept. Fortunately, at the district and provincial level of government there has been some recognition of the concept.

Under the Indonesian certification systems, there are two certification schemes: mandatory and voluntary. The most recent government requirement for permit extension is that forest management units must pass the mandatory certification under what so called SVLK (Timber Legality Assurance) and PHPL (Sustainable Production Forest Management) – using a Sustainable Forest Management (SFM) standard developed by Indonesian Government. While voluntary certification use standards that are either recognized internationally or nationally by the government of Indonesia (LEI/Indonesia, FSC, and PEFC). The Indonesian government requires mandatory certification for all FMUs regardless if they have either LEI, or FSC and PEFC certificates. The HCV concept is only applied within the voluntary schemes.

In Indonesia, timber is mostly generated from natural production and plantation forest. Natural production forests are mainly managed by timber concessionaires/companies. Natural forest certification process (voluntary) in Indonesia is first started during 1999 when the first timber company (PT Diamond Raya Timber) was certified against FSC standard. Currently, a large number of forest units have been certified under FSC standard and therefore, a number of HCVF assessments have been done in at least all of the four big islands in Indonesia (Sumatra, Kalimantan, Sulawesi and Papua). Each of these islands have different unique forest characteristics which are rich in biodiversity.

In Indonesia, most local people especially those living nearby forest areas are largely dependent on the existence of the natural resources from the forest. Non-timber forest products such as fruits, rattan, honey, meat, materials for traditional medicine are generated from this tropical rainforest for the local people uses for generations. Under Indonesia law, non-timber forest products are allowed to be harvested from all types of forest with special permit. Even in mangrove and peat forest, timber and NTFPs harvesting is allowed under certain prescriptions that aim not to reduce the function of the forest ecosystem thus in principle, there should be biodiversity safeguard in place for NFTP collection.

In term of land utilization by communities, there are at least four types of community right to utilize forest product: Community Forest (Hutan Kemasyarakatan), Village Forest (Hutan desa), Hutan Adat (Forest owned by Indigenous People) and Plantation Forest for People (Hutan Tanaman Rakyat). In fact, these community based forest programs are actually launched by the government to reduce forest degradation and provide more access to local communities living surrounding the forest to improve their livelihoods. Communities can get rights to utilize both protected and production forests. However, the right to utilize protected forest is limited only for environmental services and NTFPs. In production forests, they can develop and manage plantations (in degraded areas) and also they are allowed to collect NTFPs. Village forest is forest area that located inside or close to the village with state land status and the communities have the right to utilize the forest products. Hutan adat is area of forest land that claimed or owned by indigenous peoples/communities. While 'Plantation Forest for People' refer to plantation forests developed by individual or cooperatives to increase the potency and quality of production forest owned by the state. These forest areas will be considered community based forest management (CBFM) as they are required to manage the forest in a sustainable manner. Most CBFM units in Java produced timber and have been FSC certified.

The general threats to HCV areas in the four regions (Sumatra, Sulawesi, Kalimantan and Papua) result mainly from the harvesting of timber from steep slopes (HCV 4.2), buffer zones adjacent to conservation areas or protection forest (HCV 1.1), areas with a high presence of critically endangered (CR) species (HCV 1.2), rare ecosystem (HCV 3) and within watershed areas (HCV 4.1) where due to improper forest practices, waste from the forest operation may cause damage to water sources.

In Indonesia, the situation where land tenure and indigenous people's right remain unclear in many regions, the likelihood of potential conflict between forest managers and local community (HCV5) regarding land tenure and rights is high and widespread. Furthermore, presently it is also difficult to distinguish between indigenous or local community with newcomers. With the richness of biodiversity and other forest resources, social issues have been going on for decades. Social tensions over forest rights between the government, indigenous and other local communities and private entities have not yet settled satisfactorily.

There is also a knowledge and education gap among stakeholders which is commonly found during formal meeting discussing about HCV findings. Decisions are often made based only on expert judgment and some representative of local community that often bring only their owned interests. However, some of these threats are minimized with the adoption of reduced impact logging (RIL) which is now become formal prescription by the government. By implementing RIL, forest operators are mandated to follow the guideline and RIL standard operating procedures.

Lastly, the CPI (Corruption Perception Index) in Indonesia for 2016 was 36 (on a scale from 0 to 100 where 100 is lowest level of corruption) and ranked 88 out of 167 countries (<https://www.transparency.org/country/IDN>). This means there is high perception that Indonesia is a corrupt country.

HCV Mapping Methodology

Mapping in this risk assessment is based on the HCV toolkit from 2008 and the HCV Common Guidance (2013). To identify HCV there are several stages, applied methods and data sources used for the analyses. For HCV 1 we employed some data associated with distribution of species linked to the latest forest cover, conservation areas and riparian areas. The HCV 1 data and approach was also used for HCV 2 and 3 with the additional of IFL (Intact Forest Landscape), ecoregions and land systems data layers. For HCV 4 hydrological information, land systems and the latest forest cover data was used. As for analyzing HCV 5 and 6 data used was based on information on hydrology, land cover and distribution of indigenous territories.

All data used in this study is public data available in the public domain and was cross checked with some reports to verify the validity of the data. Secondary data was also used and is detailed in the table below. The data used in this study has a medium scale that is above 1: 250,000 so it has its limitations associated with the detail of each HCV.

The non-forest and other forest map legend categories corresponds with legal terms. It is important to note non-forest areas are outside what is considered forest areas in legal terms, nevertheless, they may still be a potential wood supply area, for example, in Java many community teak forests are located in what are considered non-forest areas.

No	Maps	Scale	Source
1	Peta Rupa Bumi Indonesia	Scale 1 : 250.000	Bakosurtanal /BIG
2	Landcover 2016	Scale 1 : 250.000	BAPLAN, Ministry of Forest
3	Digital Elevation model SRTM 90 Meter	Scale 1 : 250.000	SRTM for the globe Version 4. Downloaded from: CGIAR-CSI SRTM 90m Database http://srtm.csi.cgiar.org . CGIAR-CSI.
4	Land system Map	Scale 1 : 250.000	RePPPProt, A. 1990. National Overview from the Regional Physical Planning Programme for Transmigration. UK Overseas Development Administration and Directorate BINA Programme, Ministry of Transmigration, Jakarta.
5	Ecoregion/Bioregion map	Scale 1 : 250.000	Wikramanayake, E., E. Dinerstein, C. J. Loucks, D. Olson, J. Morrison, J. Lamoreux, M. McKnight, and P. Hedao 2002. Terrestrial Ecoregions of the Indo-Pacific: A Conservation Assessment. Island Press.
6	Important Bird Areas (IBA)	Scale 1: 1.000.000	Birdlife International. 2013. Data zone: Important Bird Areas (IBA) and Endemic Bird Areas (EBA). Downloaded from: http://www.birdlife.org/datazone/home . Birdlife International.
7	Endemic Bird Areas (EBA)	Scale: 1: 1.000.000	Birdlife International. 2013. Data zone: Important Bird Areas (IBA) and Endemic Bird Areas (EBA). Downloaded from: http://www.birdlife.org/datazone/home . Birdlife International.
8	Soil Map	Scale 1 : 250.000	RePPPProt, A. 1990. National Overview from the Regional Physical Planning Programme for Transmigration. UK Overseas Development Administration and Directorate BINA Programme, Ministry of Transmigration, Jakarta.
9	Geology Map	Scale 1 : 250.000	Pusat Penelitian dan Geologi Bandung

11	Tiger Distribution Map	Scale 1 : 500.000	Wildlife Conservation Society 2011. Panthera tigris. In: IUCN 2013. IUCN Red List of Threatened Species. Version 2013.1
12	Orang Utan Distribution Map	Scale 1 : 250.000	Greenpeace : KEPO Hutan http://www.greenpeace.org/seasia/id/Global/seasia/Indonesia/Code/Forest-Map/data.html
13	Peatland Distribution	Scale 1 : 250.000	Wetlands International - Indonesia Programme & Wildlife Habitat Canada (WHC).
14	Moratorium Map	Scale 1 : 250.000	Kementerian Kehutanan. 2015. Peta Indikatif Penundaan Izin adalah Peta Lampiran SURAT KEPUTUSAN MENTERI KEHUTANAN REPUBLIK INDONESIA Nomor: SK.2312/Menhut-VIII/IPSDH/2015. Skala 1:250.000.
15	Distribution Communal Land		BRWA

Experts consulted

There was an initial expert and stakeholder consultation that took place on 22nd June 2016 at the Hotel Sahira Jl. A. Yani Bogor. All participants at this meeting are included in the table below.

	Name	Organization	Area of expertise (category/sub-category)
1	Felicia lasmana Felicia.lasmana@daemeter.org	Daemeter Consulting	Forest management, HCV
2	Bart W Van Assen bwvanassen@gmail.com	Double Helix Tracking Technologies	Forest Management, HCV
3	Kresno Santoso kresno@hcv-ni.org ksantosa_68@yahoo.com	High Conservation Value – Network Indonesia	Social expert, All HCV

	Name	Organization	Area of expertise (category/sub-category)
4	Harnios Arif	School of Forestry, Bogor Agricultural Institute (IPB)	Lecturer, Biodiversity expert, HCV
5	Herry Prayitno aphi@rimbawan.com	Association of Indonesia Forest Concession Holders (APHI)	Forest Management
6	Hari Priyadi hari.priyadi@re-markasia.com	Remark Asia	HCV
7	Kurniadi Suherman Kurniadi_Suherman@app.co.id	Asian Pulp & Paper (APP)	Forest management
8	Ardi Lim	APP	Forest management
9	Mahir Takaka rumahaman@cbn.net.id mtakaka@gmail.com rumahaman@cbn.net.id ; mtakaka@aman.or.id	Aliansi Masyarakat Adat Nusantara (AMAN)	HCV 5, HCV 6
10	Eko Prasetyo	The Borneo Orangutan Survival Foundation (BOSF)	HCV 1, 2 and 3
11	Titiek Setyawati titiek2962@gmail.com	Remark Asia	HCV
12	Rizal B	The Nature Conservancy (TNC)	Forest and biodiversity conservation.
13	Wahyu Riva	IDEAS Consultancy Services	HCV 5 and 6

	Name	Organization	Area of expertise (category/sub-category)
	wahyuriva@ideas-consultant.com , wahyuriva@gmail.com		
14	Nyoto Santoso ns.bagindo@yahoo.co.id	Bioref-IPB	HCV
15	Andri Santosa andrisantosa@fkkm.org	FKKM - Forum Komunikasi Kehutanan Masyarakat (Indonesian: Community Forestry Communication Forum; forestry management)	Community forestry.
16	Sera Noviany sernovy@yahoo.com sera.noviany@sinarmasforestry.com	Sinarmas Forestry	Forest Management
17	Eko Hianto	Sinarmas Forestry	Forest management.
18	IBW Putra putraibw@yahoo.com	PT Alas Kusuma Group	Forest Management
19	Dian Novarina dian_novarina@aprilasia.com	APRIL	Forest Management
20	Ade Sudiana	TUV Rheinland	Forest management, auditor.
21	Heni Handayani	TUV Rheinland	Auditor
22	Bob Purba fwibogor@fwi.or.id	Forest Watch Indonesia (FWI)	Forest management

	Name	Organization	Area of expertise (category/sub-category)
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23	Taufik Margani taufik@mutucertification.com forestry@mutucertification.com	Mutu Certification	Forest management, auditor
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Risk assessment

Indicator	Sources of Information	HCV occurrence and threat assessment	Geographical / Functional scale	Risk designation and determination
3.0	1 -11	<p>Forest areas in Indonesia are well surveyed by the Indonesian Government through Ministry of Environment and Forestry for its high biodiversity values (LIPI –BAPPENAS-LH, 2014). This has been designated under Indonesia criteria for determining conservation and protected areas and information on the biodiversity conditions are updated regularly. Thus, determining the presence of HCV and its distribution for all forest areas is workable since data is publicly available.</p> <p>In addition, almost all forest enterprises across Indonesia forest regions applying for a FSC certificate have already carried out HCVF assessments meaning that there is enough data on the presence of HCVs including determination of threats for each of the HCV. The public FSC forest management summary reports of the HCVF assessment are also publicly available from the website (info.fsc.org). At the national level, all protected forests and conservation forests are well defined and mapped (Dirjen IPSDH, 2015). All state forest concessions have delineated areas for conservation purposes or areas of no-harvesting. Based on information available maps have been developed for HCVs within each region (Annexes 1-5).</p> <p>For the current assessment, HCV are identified as follows:</p> <p>HCV 1 – areas of forest containing protected species including:</p> <ul style="list-style-type: none"> -bird species listed in IBA and EBA; -species listed in CITES, IUCN under status of EN, CR, or Vu; -species protected and strictly protected on national level (PP no.7 year 1999); 	Geographical scale: Country	<p>Low risk for the country.</p> <p>Threshold (1) and (2) are met:</p> <p>(1) Data available are sufficient for determining HCV presence within the area under assessment;</p> <p>AND</p> <p>(2) Data available are sufficient for assessing threats to HCVs caused by forest management activities.</p>

		<p>HCV 2 – core areas of intact forest <20,000 ha: UNESCO world heritage sites, ASEAN-Heritage Park, Ramsar sites, forests in strict nature reserves, biosphere reserves, reserves of national or regional parks.</p> <p>HCV 3 – key and rare ecosystem (Peat forest > 3 m depth, Karst, mangrove, Peat swamp).</p> <p>HCV 4 – ecosystem protection forests and protection forests.</p> <p>HCV 5 – any areas that is used by local community for live supporting system (i.e. Large river supplying clean water for local community).</p> <p>HCV 6 –forests of the important cultural and historical sites.</p> <p>Currently, oil palm plantation business in Indonesia is committed to maintain the environment by following the RSPO New Planting Procedures (NPP) which have been in force since 1st Jan 2010. The first step for the certification is to conduct a comprehensive and participatory independent social and environmental impact assessment (s) and the assessment (s) includes identification of all primary forest, HCV area, areas of peat soil, and local peoples' land, which in fact it is developed from HCVF Toolkit 2003. There is also a simplified High Conservation Value (HCV) approach developed by HCV Resource Network for independent smallholders with established plantations as to comply with RSPO standard, as part of achieving RSPO certification for their products. Results from the RSPOs HCV assessment should be complimentary data source for the HCV determination in the area under assessment for this control wood category 3. In addition, a number of community based forest management units in Java and also state owned plantation forests have been FSC certified and thus areas under these certified forest are well surveyed for biodiversity and can also provide some indication of HCVs in also non certified forest areas in Indonesia.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Until the present, the HCV definition is not used in the Indonesian context and there is no agreement amongst stakeholders on how to integrate HCV concept into the biodiversity important area schemes. The government has developed guideline to safeguard its</p>		
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		<p>protection and conservation areas as stipulated under Act no 5 year 1990 and Forestry Act No. 41 year 1999. Based on the analysis of publicly available FSC summary reports, as well as the other sources referred to, threats to HCV varies according to sites and socio economic condition of communities surrounding the forest management units – but a few examples of threats to HCV from the reports include: anthropogenic activities and land use changes. These activities are highly connected to the potential threat of habitat removal and to an extent, habitat fragmentation. For example, forest openings for road construction, such as a road that is built to connect one village to the other under the scheme of village extension. The most common threats are also conversion from forested land into agriculture and human settlement. Forest encroachment by communities for agriculture as well as unsustainable forest management by forest concessions holders, which can lead to degrading the forest quality. Degrading forest quality can lead to reduced environmental services functions in the area, even loss of these functions. It can be assumed that these threats are present also in non-certified forests.</p> <p>In general, state forests in Indonesia has issues on safeguarding HCVs against illegal logging, illegal hunting, forest encroachment and forest fragmentation due to improper forest management operations.</p> <p>As private forests owners have full authority in managing their land and as there is no public access to any of their plans the threats are less well documented. Information available has however been considered sufficient to conduct the risk assessment. It is important to also note private forest owner lands represent approximately 1/3 of the forest area (Category 1) in Indonesia.</p> <p>Data available are sufficient for determining HCV presence and for assessing threats to HCVs caused by forest management activities, thus the risk for this indicator is assessed as Low for protection, production and conservation forests as well as private forests in Indonesia.</p> <p>Threshold (1) and (2) are met:</p>		
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		<p>1) Data available are sufficient for determining HCV presence within the area under assessment;</p> <p>AND</p> <p>(2) Data available are sufficient for assessing threats to HCVs caused by forest management activities.</p>		
Area under Assessment: Java				
3.1 HCV 1	12,13	<p>Occurrence</p> <p>Forest areas on Java island have already been delineated by the government based on their function. Intact forests remain only in some conservation forest areas and there are 12 national parks, at least 63 nature reserves and a number of protected forest (<i>Hutan Lindung</i>) spread across five (5) provinces: Banten, West Java, DKI Jakarta, Central Java, DI. Yogyakarta, and East Java. These conservation areas and protection forests contain a number of protected wild flora and fauna.</p> <p>Using a precautionary approach and considering the large networks of conservation areas in Java island, HCV1 is present in Java region. Forest management units located close to these conservation areas play an important buffer role and are often used by some RTE animals for refugia. In the absence of HCVF studies, a number of national laws and regulations, including studies done by research institutions and NGOs in Indonesia concerning rare, threatened and endangered species can be used to identify areas containing HCV1, among those are:</p> <ol style="list-style-type: none"> 1) Lists of threatened species (Act No. 7 and 8 year 1999) 2) CITES Appendices (https://cites.org/eng/app/index.php) 	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>Specified risk for production forests, protection forests and conservation forests</p> <p>Threshold (8) is met: HCV 1 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p> <p>Low risk for private forest land/farm land</p>

		<p>3) Country reports made at bioregional/eco-regional scale (e.g., Laporan Kekinian Keanekaragaman Hayati di Indoensia published in 2014 by LIPI, BAPENNAS and Ministry of Environment);</p> <p>4) Data on endemism (http://simple.wikipedia.org/wiki/Endemism);</p> <p>5) Data on birds distribution from IBAA and EBAs maps (http://www.birdlife.org/datazone/site)</p> <p>6) Existing divisions into spatial units used for reporting purposes, e.g., bioecoregions from HCVF Toolkits 2008);</p> <p>7) Global 200 Ecoregions (http://assets.worldwildlife.org/publications/19/files/original/global200ecoregions.zip? 1343838792)</p> <p>8) Intact Forest Landscapes (http://www.intactforests.org/world.map.html);</p> <p>9) IUCN Red List (http://www.iucnredlist.org);</p> <p>10) Known and available inventory data relevant for HCVs;</p> <p>11) Maps, databases, and other sources of information on endemic and migratory birds;</p> <p>12) Environmental Impact Assessment done in Java island</p> <p>13) Remote Sensing and other aerial data showing forest land-cover (e.g., Google Earth)</p> <p>14) Review of multilateral conservation agreements (international treaties and/or protocols, etc.) on the migratory pathways of the global migratory species;</p> <p>15) Stakeholder and expert consultation outcomes regarding the presence of HCVs in the area under assessment (related and not related to the NRA process);</p>		<p>Threshold (5) is met. There is no HCV1 identified in the area under assessment and its occurrence is unlikely.</p>
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		<p>16) Strategic Forest Management Planning regulations and implementation reports;</p> <p>Thus, the area under assessment categorized as conservation forest, protection forest and large scale state owned production forest in Java are considered to contain HCV1. While the material source categorized under private land, including community based forest management (CBFM) often does not contain HCV1 as they are normally located away from conservation areas and protected forests. Using precautionary approach and drawing from proxy data based on HCVF assessments done in Java, the total size for HCV 1 are estimated as follows (based on forest types): 1) primary forest = 80,472 ha, 2) secondary forest = 835,015 ha, 3) plantation forest = 147,214 ha, and 4) non-forest = 787,867 ha – please see Annex 1 – Map of HCV 1 areas in the Java Region.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Indonesia has ratified CBD through Act No. 5 year 1994 and thus Indonesia is mandated to protect and maintain its biodiversity, including prevention of biodiversity loss from forest fragmentation and the avoidance of introducing invasive alien species (IAS). Almost all forest areas in Java, especially those lying adjacent to conservation and protection areas are considered as HCV1 and they are mainly threatened by human activities and land use changes. These activities are highly connected to the potential threat of habitat removal and to an extent, habitat fragmentation.</p> <p>In Java, the threat of invasive alien species encroachment, especially plants, is serious issue. In the Stated Owned Plantation Forest managed by Perhutani, <i>Chromolaena odorata</i> and <i>Mikania micrantha</i>, species originated from Central America, are commonly found in the open areas in production forest and their presence inhibits the growth of native plantation seedlings. Policy and regulations on invasive alien species management remain lacking while most fragmented forest areas are now occupied or being encroached by invasive alien species.</p> <p>The issue of invasive alien species has recently been a serious issue in Indonesian forests. Protection programs and forest safeguards in conservation areas include</p>		
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		<p>addressing threats from habitat removal and fragmentation as part of the general forest protection, but do not yet address invasive alien species.</p> <p>The demand for timber in Java has approached 8.2 million cubic meters while annual timber production only ranges between 2 – 2.5 million cubic meters. This demand and supply gaps point to evidence that illegal logging is highly likely occurring (also see Category 1 for more details on the risks connected to illegal logging) and this may lead to more forest land degradation in Java. Only 1.5 million hectares (ha) of forested land out of the total forest land around 3 million ha in Java is considered good while the critical land for biodiversity has approached around 700.000 ha.</p> <p>The regulation (Pasal 50 Undang-Undang No. 41 Tahun 1999 tentang Kehutanan) has clearly stated punishment to anyone who violate the law such as forest encroachment and illegal logging will be imprisoned for a maximum of 10 years plus a fine of 5 billion rupiah, but with weak law enforcement this heavy sanction is never enforced. Furthermore, according to Corruption Perception Index in 2015, Indonesia scored 36 out of 100 (with 100 indicating very low corruption) and ranked 88/168 countries in the world for corruption tendencies.</p> <p>Therefore, illegal logging and forest encroachment remains a serious problem for almost all production forest and conservation and protection forest areas in Java. This concern is supported by the recent report from the Indonesia government in the 5th National Report of Indonesia to the Convention on Biological Diversity.</p> <p>Indonesia has now developing new Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2015-2020. The implementation of Indonesia Biodiversity Strategic & Action Plan (IBSAP) in 2012 showed that the government has faced with a number of challenges such as (i) lack of understanding of the function of biodiversity in the area; (ii) Biodiversity issues have not become major issues; (iii) lack of political support; (iv) lack of adequate human resources with knowledge of issues on Biological Diversity; (v) lack of synergy of the Biodiversity programs; (vi) lack of dissemination of the Biodiversity management policy; (vii) the absence of monitoring institutions and evaluation in the area; (viii) lack of stakeholders involvement in the area. Until the present, IBSAP implementation has been so far considered as voluntary while lacking of monitoring and</p>		
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		<p>coordination among relevant sectors. In addition, there is no specific institution to coordinate IBSAP implementation. Yet, some increases are seen in a number of areas such as in conservation and the sustainable use of biodiversity, an increasing number of protected areas, an increasing number of flora and fauna pursued in ex-situ conservation, as well as ecosystems rehabilitation efforts (mangrove forests and coral reefs). Furthermore, there is community involvement in managing biodiversity, development of sustainable consumption, increase of capacity building and rehabilitation in an effort to deal with habitat loss and biodiversity degradation.</p> <p>The five provinces in Java island: Banten, West Java, DKI Jakarta, Central Java, DI. Yogyakarta, and East Java have risk specification that varies from site to site depending on the nature of the environment and location. Each of the five province have different sizes of production forest areas with varying percentage of forest coverage. The lowest forest coverage which less than 5% is in DKI Jaya (Jakarta) province. Banten and West Java has forest coverage less than 50%, while Central Java, East Java and DI Jogyakarta have forest coverage between 50 – 80% within their production forest. All production forests are state owned forest and most are FSC certified and some are certified under mandatory scheme (PHPL/mandatory certification, SVLK – Legal Timber Assurance System) and other certification schemes.</p> <p>In conclusion, HCV1 is present and/or its occurrence is likely in state production forests, conservation and protection forests. Forest management activities such as timber harvesting is a threat to HCV 1 linked to habitat removal, fragmentation and invasive species encroachment mainly stemmed from illegal logging (see more under Category 1) and thus is considered Specified risk. HCV 1 occurrence is unlikely in private forest land/farmlands and thus it is classified as Low risk.</p>		
3.2 HCV 2	14,15	<p>Occurrence</p> <p>Based on document evaluation from seven state owned forest management units located in Java (KPH Kebonharjo, KPH Kendal, KPH Cepu, KPH Madiun, KPH Randublatung, KPH Banyuwangi Utara and KPH Ciamis) and a number of privately owned forest management units which are considered as SLIMF (small and low intensive management of forests), no HCV2 were found. Almost all primary intact</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p>	<p>Low risk for production forests and private forest land/farm land</p> <p>Threshold (9) is met: There is no</p>

		<p>forests in Java has already been converted into farm land, settlements, agriculture land, pasture and other land uses. The remaining intact forest mainly remains in conservation areas such as protected forests and national parks. The protection forest or forest that is protected not only by government but by other entities for special purposes remain in small size. Forests that provide regionally significant habitat connectivity between larger forest areas or between refugia and mosaics, have a minimum road network and have not been affected by forest management activities, and most occur in conservation and protection areas. Thus HCV 2 areas are located in the core and wilderness zones, a zone where human intervention is very minimum or forbidden.</p> <p>Furthermore, no IFLs were detected on Java island via the Global Forest Watch mapping tool.</p> <p>Threats & Safeguards identification and evaluation</p> <p>The remaining significant forest area with less human intervention in Java is located only in conservation areas and protection forest where human intervention is minimal or prohibited, i.e. commercial logging is prohibited. These areas are continuously threatened by forest opening for road construction, such as road that connects one village to the other under the scheme of village extension. A number of recent articles and newspaper posted issue on illegal logging in some conservation areas. (See Category 1.9 for more details on illegal logging threats to conservation and protection forest areas in Indonesia).</p> <p>As there are no HCV2 within production forest areas the risk to HCV 2 by forest management activities are not applicable.</p> <p>In conclusion, there are no HCV 2 areas located in production forests and in private forest land/farm land in the area under assessment and thus it is deemed as Low risk. There are HCV 2 identified in conservation and protection forests and there is a risk of illegal logging in HCV 2 areas, thus it is deemed as Specified risk.</p>	Protection, production and conservation forests as well as private forest land/farm land	<p>HCV2 identified and its occurrence is unlikely in the area under assessment</p> <p>Specified risk for protection and conservation forests</p> <p>Threshold HCV (12) is met: HCV2 is identified and/or its occurrence is likely in the area under assessment,</p>
3.3 HCV 3	16,17	Occurrence	<u>Geographical scale:</u>	Specified risk for Java

	<p>Using the precautionary approach and based on the HCVF assessments in Java, the total size for HCV3 are as follows (based on forest types): 1) primary forest = 5,303 ha, 2) secondary forest = 80,498 ha, 3) plantation forest = 199,077 ha, and 4) non-forest = 625,346 ha. See Annex 1 for the HCV 3 mapped areas in Java. HCV3 in Java covers threatened and endangered ecosystems such as savanna in East Java, mangrove forest along the coastal beach in West, Central and East Java, karst ecosystems in Central Java and DI Jogjakarta, mountain forests which mainly occur in Java.</p> <p>At the national level, the government is developing its own scheme for assessing the presence of rare, threatened and endangered ecosystem in particular areas in Indonesia and also adopted a number of tools developed by International organization such as IUCN, UNESCO, TNC, and CI. The most common scheme for ecosystem assessment and its attributes are stipulated under 1) Ministry of Environment Regulation No 15 year 2012 concerning Guide to Forest Ecosystem Valuation, and 2) Ministry of Environment Regulation No 29 year 2009 concerning Guide to Regional Biodiversity Conservation.</p> <p>HCV3 in Java island is mostly found in conservation areas and protection forests and to some small extent, the remaining HCV3 can be found in private land and state-owned forest concessions.</p> <p>Threats & Safeguards identification and evaluation</p> <p>HCV 3 occurrences are mainly threatened by inadequate protection and weak law enforcement. During the last decade, there is clear evidence of rapid changes of land uses and forest cover losses in Java island due to rapid growth of human population. The most common threats are conversion from forested land into agriculture and human settlement. Another example of serious threat on the rare, threatened and endangered ecosystems is the fact that people keep extracting resources from natural forests, such as development of fish ponds along the mangrove forest in Java coastal.</p> <p>Although the government has developed protection mechanism through the issuance of policy and regulation concerning maintenance conservation areas and biodiversity including maintaining the ecosystem integrity and also developing IBSAP 2003 – 2013 (Indonesian Biodiversity Strategy and Action Plan) which is regularly reported during</p>	<p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>The following risk thresholds are met:</p> <p>(17) HCV3 is identified and/or its occurrence is likely in the area under assessment and it is threatened by forest management activities; AND</p> <p>18) There is no progress in achieving Aichi biodiversity targets.</p>
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		<p>mining, illegal timber cutting, and farming. A number of reports have showed that mountain forests in Java are mainly threatened by forest encroachment especially opening the forest for illegal settlement. People cut timber from the forest and built their houses. Houses is also built in the steep slopes lead to land slide and soil erosion during rainy season. A number of articles and report posted in newspaper and magazine highlighting the illegal logging activity such as forest encroachment and illegal logging that commonly done by local people due to poor socio-economic conditions and social gaps between large scale company and local community as well as minimum benefits from the forest values received by communities (Tim Badan Litbang Kehutanan Dan Taman Nasional Merubetiri. 2011. Review Tentang Illegal Logging Sebagai Ancaman Terhadap Sumberdaya Hutan dan Implementasi Kegiatan Pengurangan Emisi dan Deforestasi dan Degradasi REDD + di Indonesia. Bogor: Pusat Penelitian dan Pengembangan Perubahan Iklim dan Kebijakan Badan Penelitian dan Pengembangan Kehutanan, Kementerian Kehutanan, IndonesiaKerjasama Dengan: International Tropical Timber Organization (ITTO)). See also more details on illegal logging threats under Category 1.</p> <p>HCV 3 is identified in the area under assessment and it is threatened by forest management activities through habitat removal and fragmentation mainly through illegal logging/conversion (also review Category 1 for more details on ilegal logging). Furthermore, as there has been limited progress by the Indonesian government achieving its Aichi biodiversity targets the risk for this indicator is assessed as Specified risk for protection, production, conservation forests and private forest land/farm land.</p>		
3.4 HCV 4	18,19	<p>Occurrence</p> <p>HCV 4 areas in Java Island support environmental services functions such as water catchments; run-off, erosion and sedimentation control, water sources, and provide capabilities such as firebreaks. In general, the physical and environmental contexts that affect HCV 4 presence are slope, soil type, land cover, topography and river basins.</p> <p>Based on the precautionary principle and HCVF assessments completed in Java, total HCV 4 area is as follows: primary forest = 80.476 ha; secondary forest = 835.120 ha; plantation forest = 568.105 ha; and non-forest areas = 1.585.239 ha. Most of the HCV 4</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as</p>	<p>Specified risk for protection, production and conservation forests.</p> <p>Threshold (22) is met: HCV4 is identified and/or</p>

		<p>areas are found in forested areas that function as water sources, montane forest as water catchments, wetlands (swamps), riparian buffers, coastline and mangrove forests. These areas are decreasing due to growing annual need for agricultural land and settlements. See Annex 1 for the HCV 4 mapped areas in Java.</p> <p>HCV 4 on Java Island is generally found in areas that function as conservation areas as stipulated by Decision Letter of Minister of Agriculture No. 837 KPTS/UM/11/80, forest areas, mountains, riparian areas, and mangroves, but is also present in production forests, which was identified though publicly available FSC FM reports summaries. HCV 4 occurrence is unlikely in private forest land/farm land.</p> <p>Threats & Safeguards identification and evaluation</p> <p>In Java, one of the global hotspots of erosion and sedimentation, a simplistic narratives continue to dominate societal discourses about upland degradation, river water flows and coastal sedimentation (Lukas 2014).</p> <p>Freshwater swamp forests are highly desirable to commercial timber operations because of their high stocking level of commercially valuable species. The soil in most of the deep alluvial terraces is deep, fertile, and well- watered, promoting rapid forest growth (worldwildlife.org).</p> <p>Threats to HCV 4 areas are forest encroachment by community for agriculture as well as unsustainable forest management by forest concessions holders, which lead to degrading forest quality. Degrading forest quality will lead to reduced environmental services functions in the area, even loss of these functions. This was corroborated with local experts.</p> <p>Forest encroachment occurs due to poor information dissemination to community, law enforcement and boundary control by concession holders or the government.</p> <p>There is no sufficient safeguard in place to protect HCV4. HCV 4 is identified in the area under assessment and it is threatened by management activities due to degrading water</p>	<p>private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>its occurrence is likely in the area under assessment and it is threatened by management activities.</p> <p>Low risk for private forest land/ farm land.</p> <p>Threshold (19) is met. There is no HCV4 identified in the area under assessment and its occurrence is unlikely.</p>
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3.5 HCV 5	20,21	<p>Occurrence</p> <p>The Java Islanders' dependence on rivers as source of clean water is relatively low. Clean water facilities are relatively evenly distributed in all Jawa provinces (East Jawa, Central Jawa, Jogjakarta, West Jawa, Banten and DKI Jakarta). In addition, the tradition of using rivers as source of clean water has decreased. However, there are still indigenous communities that use river water to meet their household needs. Similarly, forest resources utilisation for fundamental basic sustenance has also declined for Java Islanders.</p> <p>The distribution of customary territories and indigenous communities and local communities in Java are not as high compared to other islands. Most are distributed in Lebak District (Banten Province) and Sukabumi District (West Java Province), namely the Kasepuhan indigenous peoples. Next are the Tengger Tribe that lives on the foot of Semeru Mountain and the Osing people in Banyuwangi, East Java. There are several customary territories in Garut, Tasikmalaya, and Kuningan in West Java, Pati in Central Jawa, and Banyuwangi in East Jawa. Most live within conservation areas (national parks). The government recognizes the Kasepuhan indigenous peoples in Lebak through Local Government Regulation No. 8/2015 and the Baduy Indigenous Peoples through Local Government Regulation No. 23/2001 concerning Protection of the Baduy Customary Communal Rights.</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>Low risk for production, protection and private forest land/farm land forest</p> <p>Threshold (23) is met: There is no HCV5 identified and its occurrence is unlikely to the area under assessment.</p> <p>Specified risk for conservation forests</p> <p>Threshold (26) is met: HCV5 is identified and/or</p>

		<p>For the indigenous peoples cited above, there are still strong natural resources interaction and utilization connected to their basic fundamental substance needs especially with the Baduy and Tengger tribes. There have been many studies completed on the indigenous peoples' dependence on forest to provide for their needs. Utilization of natural resources that are still taken by the community, such as medicines, game, fruits, vegetables, traditional rituals and cash income from NTFP.</p> <p>Using the precautionary approach and based on HCVF assessments completed in Java, the total area for HCV 5 is as follow (based on forest types): 1) primary forest = 5,596 ha; 2) secondary forest = 30,032 ha; 3) plantation forest = 67,413 ha; and 4) non-forest areas = 677,521 ha. See Annex 1 for the HCV 5 mapped areas in Java.</p> <p>HCV 5 values on Java Island is generally found in areas that function as conservation areas as stipulated by Decision Letter of Minister of Agriculture No. 837 KPTS/UM/11/80, forest areas, mountains, riparian areas, and mangroves.</p> <p>Threats & Safeguards identification and evaluation</p> <p>See also indicators 1.13 – 1.15 and indicator 2.3 for more information on forest management risk related to traditional and indigenous peoples' rights.</p> <p>Threats to HCV 5 areas are forest encroachment by community for agriculture as well as unsustainable forest management by forest concessions holders, which lead to degrading forest quality. Degrading forest quality will lead to reduced environmental services functions in the protected areas such as reduce the water quality in which (the above listed) indigenous and traditional communities depend upon for fulfilling some of their fundamental basic needs.</p> <p>In conclusion, HCV 5 is identified in the area under assessment in conservation forests and it is threatened by management activities through impacting the fundamental needs, i.e, reduced water quality, of indigenous peoples and local communities. As HCV 5 are not commonly found in production, protection and private forests it is considered Low risk as its occurrence is unlikely in the area under assessment.</p>		<p>its occurrence is likely un the area under assessment and it is threatened by management activities.</p>
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3.6 HCV 6	22,23	<p>Occurrence</p> <p>The distribution of customary territories and indigenous peoples (IPs) in Java are not as high as compared to other islands. Most IPs are distributed in Lebak District (Banten Province) and Sukabumi District (West Java Province), namely the Kasepuhan indigenous peoples. There are several customary territories in Garut, Tasikmalaya, and Kuningan in West Java, Pati in Central Java, and Banyuwangi in East Java. Most live within conservation areas (national parks). The government recognizes the Kasepuhan indigenous peoples in Lebak through Local Government Regulation No. 8/2015 and the Baduy Indigenous Peoples through Local Government Regulation No. 23/2001 concerning Protection of the Baduy Customary Communal Rights. Within the Kasepuhan, Baduy and other customary territories in Java Island, there are unique relationships between the indigenous people and their customary territory, managed land, and their ancestral traditions. There are numerous cultural sites and managed land that still refers to cultural wisdom and local knowledge.</p> <p>There are several points to determine customary areas on the island of Java, there are three areas Secondary Forest, Plantation Forest one areas, and Non Forest two areas. See Annex 1 for HCV 6 mapped pointed areas on Java island.</p> <p>HCV 6 areas on Java Island are generally found in areas that function as conservation areas as stipulated by Decision Letter of Minister of Agriculture No. 837 KPTS/UM/11/80, forest areas, mountains, riparian areas, and mangroves.</p> <p>Threats & Safeguards identification and evaluation</p> <p>See also indicators 1.13 – 1.15 and indicator 2.3 for more information on forest management risk related to traditional and indigenous peoples' rights.</p> <p>Threats to HCV 6 areas are forest encroachment by community for agriculture as well as unsustainable forest management by forest concessions holders, which lead to degrading forest quality including sites and resources of critical cultural, ecological and/or religious/sacred importance for the traditional cultures.</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>Low risk for production, protection and private forest land/farm land</p> <p>Threshold (27) is met: There is no HCV6 identified and its occurrence is unlikely in the area under assessment, Specified risk for conservation forests</p> <p>Threshold (30) is met: HCV 6 is identified and/or its occurrence is likely in the area under assessment and it is threatenend by management activities.</p>
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Recommended control measures

Indicator	Recommended control measures
3.0	N/A
3.1 HCV 1	<p>Evidence of protection measures can be obtained from the manager covering the following:</p> <ol style="list-style-type: none"> 1. Regular patrol – SOP available 2. Improved road infrastructure to provide easy access for regular patrol. 3. Strict guard system on all entry access for Illegal activities - SOP 4. Degraded land restoration program – SOP is available 5. Development of conservation areas in collaboration with local community (including encouraging local community to establish their own conservation areas based on their need)

	6. Camera trapping for wildlife monitoring 7. Instalment of information board on conservation areas containing HCV1 8. Conservation awareness program
3.2 HCV 2	1. Forest management activities do not cause fragmentation of landscape forests located in conservation and protection forest.
3.3 HCV 3	Evidence of protection measures can be obtained from the manager covering the following: 1. Regular monitoring and evaluation – SOP available 2. Improved road infrastructure to provide easy access for regular patrol. 3. Strict guard system on all entry access for Illegal activities - SOP 4. Degraded land/forest restoration program – SOP is available (this include enrichment planting in steep slopes >40% areas to prevent soil erosion and land slide) 7. Installment of information board on conservation areas containing HCV3 8. Awareness program for ecosystem conservation and restoration 9. Early Warning System (for fire prone areas, natural disaster prone areas, and others)
3.4 HCV 4	Evidence of protection measures can be obtained from the manager covering the following: 1. Regular monitoring and evaluation – and evidence of a Standard Operating Procedure (SOP) is available 2. Evidence of a (or an improved) road infrastructure to provide easy access for regular patrol. 3. Strict guard system on all entry access to combat Illegal activities - and evidence of a Standard Operating Procedure (SOP) is available 4. Degraded land/forest restoration program – SOP is available (this include enrichment planting in steep slopes >40% areas to prevent soil erosion and land slide) 7. An installment of information board on conservation areas containing HCV4 8. Awareness program for ecosystem conservation and restorations. 9. Early Warning System (for fire prone areas, natural disaster prone areas, and others....) is in place.

3.5 HCV 5	<p>Verifier:</p> <p>Not many NGO offering support to indigenous peoples in Java, although quite a lot of conflicts involving forest management units and the community exist. National-level NGOs that oversees indigenous peoples' rights include as WALHI, JKPP, KPSHK, SAFE, one local NGO which is still quite active is the RMI provides guidance on indigenous peoples Kasepuhan Banten.</p> <p>To get additional confirmation there is a concern with HCV 5 values connected to indigenous communities located in areas identified on the HCV 5 map for Java one could outreach to one or more of the above NGOs.</p> <p>Other control measures:</p> <ul style="list-style-type: none"> • Demonstrated continue to support Customary communal rights through local and national regulation, through establishing conservation set-asides areas as HCV5 where HCV 5 community values overlap with forest production areas. • Evidence of local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). • Evidence of community development and livelihoods projects (e.g. employment and healthcare) support <p>References:</p> <ol style="list-style-type: none"> 1. http://rmibogor.id/2016/03/11/masyarakat-adat-kisah-inklusi-dari-kasepuhan-cirompang-banten-2/ 2. https://samdhanainstitute.wordpress.com/2015/10/12/mendorong-terwujudnya-perda-masyarakat-adat-di-kabupaten-tebo-jambi/ 3. http://www.mahkamahkonstitusi.go.id/index.php?page=web.Berita&id=13148&menu=2#.V7eRVJh9600 4. http://www.mongabay.co.id/2015/07/28/akhir-tahun-huma-targetkan-pengesahan-15-perda-masyarakat-adat/ 5. http://www.mongabay.co.id/2015/08/04/perda-masyarakat-adat-kasepuhan-ditargetkan-selesai-tahun-ini/ 6. http://epistema.or.id/wp-content/uploads/2015/07/Policy_Brief_Epistema_Institute_vol_2-2014_web.pdf 7. http://www.sajogyo-institute.or.id/files/WP%20Sajogyo%20Institute%20no.%2027,%202014.pdf
3.6 HCV 6	<p>Verifier:</p> <p>Not many NGO offering support to indigenous peoples in Java, although quite a lot of conflicts involving forest management units and the community exist. National-level NGOs that oversees indigenous peoples' rights include as WALHI, JKPP, KPSHK, SAFE, one local NGO which is still quite active is the RMI provides guidance on indigenous peoples Kasepuhan Banten.</p>

	<p>To get additional confirmation there is a concern with HCV 6 values connected to indigenous communities located in areas identified on the HCV 6 map for Java one could outreach to one or more of the above NGOs.</p> <p>Other control measures:</p> <ul style="list-style-type: none"> • Demonstrated continue to support Customary communal rights through local and national regulation, through establishing conservation set-asides areas as HCV5 where HCV 5 community values overlap with forest production areas. • Evidence of local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). • Evidence of community development and livelihoods projects (e.g. employment and healthcare) support <p>References:</p> <ol style="list-style-type: none"> 1. http://rmibogor.id/2016/03/11/masyarakat-adat-kisah-inklusi-dari-kasepuhan-cirompang-banten-2/ 2. https://samdhanainstitute.wordpress.com/2015/10/12/mendorong-terwujudnya-perda-masyarakat-adat-di-kabupaten-tebo-jambi/ 8. http://www.mahkamahkonstitusi.go.id/index.php?page=web.Berita&id=13148&menu=2#.V7eRVJh9600 9. http://www.mongabay.co.id/2015/07/28/akhir-tahun-huma-targetkan-pengesahan-15-perda-masyarakat-adat/ 10. http://www.mongabay.co.id/2015/08/04/perda-masyarakat-adat-kasepuhan-ditargetkan-selesai-tahun-ini/ 11. http://epistema.or.id/wp-content/uploads/2015/07/Policy_Brief_Epistema_Institute_vol_2-2014_web.pdf 12. http://www.sajogyo-institute.or.id/files/WP%20Sajogyo%20Institute%20no.%2027,%202014.pdf
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Area under Assessment: Sumatra				
Indicator	Sources of Information	HCV occurrence and threat assessment	Functional scale	Risk designation and determination
3.1 HCV 1	1, 2	<p>Occurrence</p> <p>Forest areas on Sumatra island have already been delineated by the government based on their function. Presently, Sumatra is divided into 10 provinces: Nangroe Aceh Darusalam, West Sumatra, North Sumatra, Riau, Riau Island, Jambi, Bengkulu, South Sumatra, Bangka-Belitung island and Lampung. Since the decentralization era in 1999 and after a number of revisions, the government issued Act No 32/2004 concerning Regional Government involvement linked to forest governance. Based on this, each province developed its own RTRWP (Rencana Tata Ruang Wilayah Propinsi) or Province Spatial Planning for forest management. There remains a slight difference between forest area delineation on- the- ground between regional and central governments. Therefore, RTRWP should be considered during any assessment to avoid potential land conflict.</p> <p>Almost all remaining primary forest areas either belong to the state or private land owners (community or customary) and are rich in biodiversity. Based on the analysis of FSC forest management public summary reports, and particular on HCVs, for natural production forest,</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest</p>	<p>Specified risk for Sumatra.</p> <p>Threshold (8) is met: HCV I is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>plantation forests or community based forest areas located in Sumatra showed that both primary and secondary forest area contain HCV1.</p> <p>The presence of HCV1 is also supported by the fact that Sumatra contains 11 National Parks, 65 Nature Reserves and 23 wildlife sanctuaries. As of 2004, there is a UNESCO recognized World Heritage forest area of 2.5 million ha of tropical rainforest in Sumatra which has been designated across the three national parks namely Gunung Leuser, Kerinci Seblat, and Bukit Barisan Selatan known as the 'Tropical Rainforest Heritage' of Sumatra. The protected area is home to an estimated 10,000 plant species, including 17 endemic genera; more than 200 mammal species; and some 580 bird species of which 465 are resident and 21 are endemic. Of the mammal species, 22 are Asian, not found elsewhere in the archipelago and 15 are confined to the Indonesian region, including the endemic Sumatran orang-utan. The site also provides biogeographic evidence of the evolution of the island.</p> <p>Some production forests belonging to the state or on private lands are located close to the conservation areas and they are important conservation buffers for these protected areas. These buffer forests also serve as corridors for wildlife movement and some riparian areas also serve as temporary habitat for migrant birds.</p> <p>Large scale forest enterprises such as Riau Andalan Pulp and Paper (RAPP) and Diamond Raya Timber comprise of natural forest that is also use as the natural habitat of endemic endangered wildlife species such as Sumatran Tiger (<i>Panthera tigris sumatrensis</i>). PT RAPP and PT DRR are also adjacent to Teso Nilo national park located in Pelawan, Riau. This forest area is home to various number of endemic flora and fauna and it is also one of the remaining lowland tropical rainforest that is a natural habitat for 60-80 elephants (<i>Elephas maximus</i>). This area is declared by the government as a center for elephant conservation.</p> <p>There are many other important forest landscapes in Sumatra that are home to endemic rare, threatened and endangered flora and fauna such Sumatran tiger (<i>Panthera tigris sumatranus</i>), clouded leopard (<i>Neofelis nebulosa</i>), Tapir (<i>Tapirus indicus</i>), indian muntjac (<i>Muntiacus muntjak</i>), Malayan sunbear (<i>Helarctos malayanus</i>) and a number of primates species such as agile gibbon (<i>Hylobates agilis</i>) among of those are Berbak National Park, Bukit Tiga puluh</p>	<p>land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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		<p>National Park in Jambi Provinces. These forest areas are recognized as key areas for biological diversity that are significant at the global, regional and national level.</p> <p>There are some logged forests located adjacent to Berbak National Park that have already been abandoned by the owner due to the lack of commercial timber and these forests are currently being managed by regional government in collaboration with local community as well as with central government. The management could be in form of single entity or in form of cooperative to develop community plantation forest. This area remains the natural habitat of some endemic species such as the Sumatran tiger.</p> <p>Using a precautionary approach and considering the large networks of conservation areas in Java island, HCV1 is present in the area under assessment. Forest management units located close to these conservation areas plays an important s buffer role and are often used by some RTE animals for refugia. In the absence of HCVF studies, a number of national laws and regulations, including study done by research institutions and NGOs in Indonesia concerning to rare, threatened and endangered species can be used to identify areas containing HCV1, among of those are:</p> <ol style="list-style-type: none"> 1) Lists of threatened species (Act No. 7 and 8 year 1999) 2) CITES Appendices (https://cites.org/eng/app/index.php) 3) Country reports made at bioregional/eco-regional scale (e.g., Laporan Kekinian Keanekaragaman Hayati di Indoensia published in 2014 by LIPI, BAPENNAS and Ministry of Environment); 4) Data on endemism (http://simple.wikipedia.org/wiki/Endemism); 5) Data on birds distribution from IBAA and EBAs maps (http://www.birdlife.org/datazone/site) 6) Existing divisions into spatial units used for reporting purposes, e.g., bioecoregions from HCVF Toolkits 2008); 		
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		<p>7) Global 200 Ecoregions (http://assets.worldwildlife.org/publications/19/files/original/global200ecoregions.zip?1343838792)</p> <p>8) Intact Forest Landscapes (http://www.intactforests.org/world.map.html);</p> <p>9) IUCN Red List (http://www.iucnredlist.org);</p> <p>10) Known and available inventory data relevant for HCVs;</p> <p>11) Maps, databases, and other sources of information on endemic and migratory birds;</p> <p>12) Environmental Impact Assessment done in Java island</p> <p>13) Remote Sensing and other aerial data showing forest land-cover (e.g., Google Earth)</p> <p>14) Review of multilateral conservation agreements (international treaties and/or protocols, etc.) on the migratory pathways of the global migratory species;</p> <p>15) Stakeholder and expert consultation outcomes regarding the presence of HCVs in the area under assessment (related and not related to the NRA process);</p> <p>16) Strategic Forest Management Planning regulations and implementation reports;</p> <p>Using the precautionary approach and based on the HCVF assessment conducted in Sumatra, the total size for HCV 1 are as follows (based on forest types): 1) primary forest = 4,438,807 ha, 2) secondary forest = 7,524,268 ha, 3) plantation forest = 325,583 ha, and 4) non-forest = 7,921,479. See Annex 2 of mapped HCV 1 areas in Sumatra.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Indonesia has ratified CBD through Act No. 5 year 1994 and thus Indonesia is mandated to protect and maintain its biodiversity, including prevention from forest fragmentation and avoid introduction of invasive alien species (IAS). Almost all forest areas in Sumatra, especially those that lie adjacent to conservation areas are considered as HCV1 and they are potentially threatened by not only forestry operation but also other activities such as mining and oil palm</p>		
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		<p>plantation. These activities are at high risk for habitat removal and to an extent, habitat fragmentation.</p> <p>Also, some production forest areas that are left open are prone to infestation of invasive plant species such as the spread of <i>Merremia peltata</i> (<i>mantangan</i>) and <i>Chromolaena odorata</i> (<i>ki rinyuh</i>). These invasive plant species are commonly found in forest open areas and their presence inhibits the growth of local/native plant species. Policies and regulations on invasive alien species management remain lacking despite most fragmented forest areas are now occupied by invasive alien species. As a result, the issue of invasive alien species has recently become a serious issue in Indonesian forests. Furthermore, protection programs and forest safeguards in conservation areas and production forest address threats from habitat removal and fragmentation, but not for invasive alien species. This has been corroborated with local experts.</p> <p>HCV 1 threats caused by forest management activities such as habitat removal, fragmentation and invasive species encroachment can be effectively managed using best practices such as the implementation of reduced impact logging for harvesting operation either small or large scale companies may reduce the threats. Biodiversity richness and HCVFs information from Sumatra island are well recorded and HCV1 location can be easily identified (also see the HCV 1 Map Sumatra under Annex 2).</p> <p>Illegal logging, invasive species infestation and forest encroachment remains serious problems for almost all production forest and conservation areas in Sumatra (also see Category 1 for more details and control measures linked to illegal logging). Although forest conversion to oil palm plantation is the main threat of habitat and forest biodiversity loss, this threat compounds the threats by forest management to HCV 1.</p> <p>Threats to HCV 1 by forest management and other industries are supported by the recent report from the Indonesia government in the 5th National Report of Indonesia to the Convention on Biological Diversity. Indonesia has now developing new Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2015-2020. The implementation of IBSAP in 2012 showed that the government has faced with a number of challenges such as (i) lack of understanding of the function of biodiversity in the area; (ii) Biodiversity issues have not become major issues; (iii) lack of political support; (iv) lack of adequate human resources with knowledge of issues on</p>		
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		<p>Biological Diversity; (v) lack of synergy of the Biodiversity programs; (vi) lack of dissemination of the Biodiversity management policy; (vii) the absence of monitoring institutions and evaluation in the area; (viii) lack of stakeholders involvement in the area. Until presently, IBSAP implementation has been so far considered as voluntary while lacking of monitoring and coordination among relevant sectors. In addition, there is no specific institution to coordinate IBSAP implementation. Yet, some increases are seen in a number of areas such as in conservation and the sustainable use of biodiversity, an increasing number of protected areas, an increasing number of flora and fauna pursued in ex-situ conservation, as well as ecosystems rehabilitation efforts (mangrove forests and coral reefs). Furthermore, there is community involvement in managing biodiversity, development of sustainable consumption, increase of capacity building and rehabilitation in an effort to deal with habitat loss and biodiversity degradation.</p> <p>The ten provinces in Sumatra island: Nangroe Aceh Darusalam, West Sumatra, North Sumatra, Riau, Riau Island, Jambi, Bengkulu, South Sumatra, Bangka-Belitung island and Lampung faced similar problems in which habitat and biodiversity loss occurs due to illegal logging, mining, oil palm plantation expansion, and forest encroachment. Thus most non-certified forest areas either under status of protection, conservation, production forest area and private forest land are classified as Specified risk.</p> <p>In conclusion, HCV 1 is identified in the area under assessment and it is threatened by management by habitat fragmentation, removal and invasive species encroachment thus is considered Specified risk.</p>		
3.2 HCV 2	3,4	<p>Occurrence</p> <p>HCV 2 its presence and/or its occurrence is likely in almost large contiguous forest areas on Sumatra island. The ten provinces in Sumatra island: Nangroe Aceh Darusalam, West Sumatra, North Sumatra, Riau, Riau Island, Jambi, Bengkulu, South Sumatra, Bangka-Belitung island and Lampung has faced similar problems of habitat and biodiversity loss due to illegal logging, mining, oil palm plantation expansion and forest encroachment. Using the precautionary approach and based on the HCVF assessment conducted in Sumatra, the total size for HCV 2 are as follows (based on forest types): 1) primary forest = 4,425,841 ha, 2) secondary forest = 7,374,016 ha, 3) plantation forest = 180,309 ha, and 4) non-forest = 980,513 ha. Some of the</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production</p>	<p>Specified risk for Sumatra.</p> <p>Threshold (12) is met: HCV2 is identified and/or its occurrence is likely in the area under assessment, and</p>

		<p>HCV2 attributes are crossing the regional boundaries. See Annex 2 for HCV 2 mapped areas in Sumatra. Note: There is no FSC risk designation available for parts located outside of national boundaries.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Timber is currently extracted mainly from natural forests and many concession areas end up as mining areas and/or oil palm plantations. The expansion of the oil palm industry is alarming and with the decentralization era it is difficult to control the permits given for oil palm plantations, as well as the thousands of permits released for mining. Regardless of the proactive action by government to curb illegal logging and also global pressure through the adoption of reduced impact logging to reduce environmental impacts, illegal logging continues to take place in Sumatra, especially where open access are available from the recent forest opening for timber harvesting. Some wetlands are now in poor conditions due to river pollution, rice fields which have turned into houses or peat land areas which have been damaged due to fires or converted into oil palm or forest plantations. For example, at least 3.5 million ha of peat land areas have been converted into forest plantations and to some minor extent for oil palm development. Wet lands which dominated areas of Sumatra have been facing with serious threats (habitat loss) due to contradicting policies, social gap, unclear spatial planning, and lack of communication among stakeholders. Lowland tropical rain forest in Sumatra has long been dealing with large scale fragmentation, especially due to road construction for mining, logging and human settlement activities. Until recently, the most common disturbance to the forest was mainly from illegal logging. This illegal activity even occurs in communal forests which is often perceived as less likely to be insecure from human illegal disturbances. Forest villages (hutan desa) in Sumatra are also very prone to illegal logging as forest protection has not been working well due to low awareness of local people with regard to the importance of maintaining natural forest for the perpetuity of following generations. Currently, legal and illegal mining are recognized as the second greatest threats to the long-term existence of HCV2 since their road networks tend to be very massive.</p> <p>HCV 2 is identified in the area under assessment and is considered threatened by forest management activities through HCV 2 fragmentation and degradation in production,</p>	<p>and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>it is threatened by management activities.</p>
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		conservation, protection forests and private forest land, mainly through illegal logging (also see Category 1) thus is considered Specified risk.		
3.3 HCV 3	5,6	<p>Occurrence</p> <p>HCV 3 is identified and/or its occurrence is likely in the area under assessment and are threatened by forest management activities. Using the precautionary approach and based on the HCVF assessments conducted in Sumatra, the total size for HCV 3 are as follows (based on forest types): 1) primary forest = 1,564,358 ha, 2) secondary forest = 2,727,930 ha, 3) plantation forest = 829,940 ha, and 4) non-forest = 7,207,128 ha. See Annex 2 for mapped HCV 3 areas in Sumatra.</p> <p>Most of the HCV3 attributes occur in areas containing wetland areas including peat and peat swamp forests, mangroves and lowland Dipterocarps forests. These ecosystems have been through a rapid depletion due to forest fires, illegal logging and oil palm expansion during the last decades. Sumatra has relatively large tropical peat swamp forest areas (Whitten, 2000), which have been categorized into endangered ecosystem due to current rapid depletion due to various disturbances.</p> <p>Threats & Safeguards identification and evaluation</p> <p>HCV3 in Sumatra island is mostly found in conservation areas and protection forests and to some extent in state production forest, plantation and private land. HCV 3 occurrences are mainly threatened by inadequate protection and weak law enforcement.</p> <p>There is clear evidence of rapid changes of land uses and forest cover losses in Sumatra island due to forest conversion. Another example of a serious threat on the rare, threatened and endangered ecosystems is the fact that people in Sumatra are keen to convert forest areas for oil palm plantations.</p> <p>Although weak law enforcement has led to slow progress in meeting the Aichi Biodiversity targets due in 2020 some increase in biodiversity conservation effort has been realised. For example, the maintenance of ecosystems and habitats which is addressed under Aichi Biodiversity Target No. 14, Indonesia has delineated some threatened and endangered ecosystem that need to be protected and maintained. However, particularly with Aichi</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>Specified risk for Sumatra.</p> <p>the following risk thresholds are met:</p> <p>(17) HCV3 is identified and/or its occurrence is likely in the area under assessment and it is threatened by forest/management activities; AND</p> <p>18) There is no progress in achieving Aichi biodiversity targets.</p>

		<p>Biodiversity Target No. 11 the goal of 571 conservation areas being implemented is slow as of 2014, of the 571 conservation areas 182 have endorsed management plans, 87 have no endorsed management plans and 252 have no management plan. Of the formation Zone/Block 571 conservation areas, 67 have been endorsed, 18 have not been endorsed, and 436 have no zonation/block. In addition, a number of challenges in maintaining ecosystem integrity has been identified in the 5th national report to the Convention on Biological Diversity such as habitat changes due to mining activity and illegal activity i.e. forests encroachment and illegal logging, influx of invasive alien species, climate change, air and water pollution and overexploitation of natural resources. A number of articles and report posted in newspaper and magazine highlighting the illegal logging activity such as forest encroachment and illegal logging that commonly done by local people due to various reasons but the most apparent one is forest opening for agriculture and oil palm plantation. Also see Category 1 for more details on threats linked to illegal logging.</p> <p>HCV 3 is identified in the area under assessment and it is threatened by forest management activities (driving habitat loss, fragmentation and invasive species encroachment) and as there is limited process of Indonesia's achievement of its Aichi Targets for HCV 3 in Sumatra it is considered Specified risk.</p>		
3.4 HCV 4	7,8	<p>Occurrence</p> <p>Sumatra Island forests' provide many natural environmental services. HCV 4 areas in Sumatra Island can be classified into seven HCV 4 subtypes as follows:</p> <ol style="list-style-type: none"> 1. River headwaters (sub watershed), springs, areas with high and very high erosion danger risks 2. Lakes, swamps and/or swamp forests 3. Rivers (river courses and riparian areas) 4. Peat domes and peat hydrological units 5. Mangrove forests 6. Coastlines 	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest</p>	<p>Specified risk for Sumatra.</p> <p>Threshold (22) is met: HCV 4 is identified and/or its occurrence is likely in the area under assessment and it is threatened by manangement activities.</p>

		<p>7. Areas with slopes > 40%</p> <p>Based on HCV assessment documents, it is observed that HCV 4 are found in areas with protection functions and some are found outside of conservation areas.</p> <p>Using the precautionary approach and based on the HCVF assessments conducted in Sumatra, the total size for HCV 4 are as follows (based on forest types): 1) primary forest = 4.717.072 ha, 2) secondary forest = 9.211.093 ha, 3) plantation forest = 158.880 ha, and 4) non-forest = 7.890.008 ha. See Annex 2 for HCV 4 mapped areas in Sumatra.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Sustainability of environmental functions provided by HCV 4 values within forests areas in Sumatra are facing threats and disturbances that can reduce or even eliminate HCV 4 values.</p> <p>Threats to HCV 4 presence in Sumatra comprise of the following:</p> <ol style="list-style-type: none"> 1. Land clearing for farms and plantations by communities (also see Category 4 on more details related to threat of forest conversion) <p>Nearly all HCVF reports place threats of land clearing at the top of the list because in addition to the threat of HCVF loss, land clearing effects forest managers negatively due to loss areas that are to be managed as productive forests.</p> <p>Land clearing activities that threaten the presence of HCV 4 areas in cases where these land clearing activities (i) ignore land and water conservation principles, (ii) are done by burning, and (iii) are done along riparian buffers. Such activities have led to increased surface runoff and soil erosion. This results in river sedimentation which reduced the river's capacity to hold water, and in turn increases floodplain areas.</p> <ol style="list-style-type: none"> 2. Illegal logging around riparian buffers and river upstream <p>Illegal logging around riparian buffers takes place by taking advantage of local authorities' poor oversight. The facts on the ground indicate that illegal logging is also facilitated by existing road access. Also see Category 1 for more details on illegal logging threats.</p>	<p>land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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		<p>3. Road access construction that is not following soil and water conservation requirements</p> <p>It was recorded in a number of areas that the source of river sedimentation is produced from road constructed for company production access. Currently required civil engineering techniques and structures for soil and water conservation are not adhered to in the construction of these roads (e.g. road side pit).</p> <p>Soil erosion causes the surface layer of top soil to become depleted. The soil erosion will give a considerable impact, both at the place of origin of erosion (on-site) and elsewhere (off-side). The following impacts or hazards caused by soil erosion:</p> <ol style="list-style-type: none"> 1. The loss of soil fertility due to runoff particle-particle or minerals in the soil, making it difficult to clear land for cultivation. 2. Decreased crop yields 3. Increased cost of fertilizer use 4. Decreased ability of soil to absorb water (infiltration). This in turn can lead to increased water runoff on the soil surface and in the end may be flooding. 5. Changes in the structure of the soil 6. Changes in the soil profile 7. The land became barren <p>The damage caused to the environment off-set also has impacts. Soil erosion will cause sedimentation, resulting in huge losses to the lives around, such as:</p> <ol style="list-style-type: none"> 1. The occurrence of silting of rivers or lakes 2. The accumulation of building and agricultural lands 3. The decline in water quality 4. Inhibits the smooth transportation of water 		
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		<p>5. Disruption of aquatic ecosystems (aquatic biodiversity)</p> <p>Communities have claimed some parts of forests for various purposes. These community land claims arose due to differences in perceptions of boundaries between communities and companies, and even with local government officials. For communities, village permission is sufficient for obtaining land tenure, and meanwhile village governments do not have a comprehensive understanding of forest boundaries. In addition, companies often cannot do much, and therefore can risk losing control of their land, which indirectly can threaten the presence of HCV areas (caused by forest encroachment. especially in the areas that have easy access like riparian areas).</p> <p>In conclusion, HCV 4 is identified in the area under assessment and it is threatened by management activities linked to soil erosion and sedimentation impacts and negative impacts on water quality thus indicator is determined as Specified risk for protection, production and conservation forests, and private forest land.</p>		
3.5 HCV 5	9,10	<p>Occurrence</p> <p>HCV 5 areas in Sumatra take form as rivers, springs, lakes that provide freshwater for drinking and every day needs, sanitation and transportation, as well as natural resources in forests to provide fundamental basic sustenance for communities.</p> <p>Water sources such as rivers, springs and lakes function as major water sources for communities, especially communities living along riverbanks. The use of river water as drinking water and for cooking and bathing is still found throughout along rivers in parts of Sumatra. This occurs due to lack of equal access to clean water facilities amongst villages. Although construction of toilet and bathing facilities and drill wells are common in villages, this does not eliminate communities' dependence on rivers. This dependence firstly relates to the community's habit and tradition of preferring to use river water for their daily needs, and secondly to the fact that even if there are clean water facilities, conditions such as drought and tides affect the levels of water debit, and therefore rivers are still the primary source of water during dry seasons for local villages.</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p>	<p>Specified risk for Sumatra.</p> <p>Threshold (26) HCV 5 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>In Sumatra there are communities whose lives depend entirely on forest resources. The Anak Dalam tribe (Jambi and Riau provinces) in Bukit Duabelas National Park, the Talang Mamak indigenous people (Riau), Sakai tribe (Riau), Akit tribe (Riau), Mentawai tribe (Mentawai Islands, West Sumatra), and Pandumaan Sipituhuta people (North Sumatra) all depend on forests and rivers for their fundamental basic subsistence. They collect tubers, vegetable and fruits in the remaining forests for staple foods. They obtain protein by hunting and fishing, as well as collect resources for medicinal purposes. The indigenous peoples still rely on traditional medicine from the richness of forests.</p> <p>Using the precautionary approach and based on HCVF assessments conducted in Sumatra, the total area for HCV 5 is as follow (based on forest types): 1) primary forest = 122.617 ha; secondary forest = 237.091 ha; 3) plantation forest = 11.964 ha; and 4) non-forest areas = 1.573.772 ha. See Annex 2 for HCV 5 mapped points in Sumatra.</p> <p>Threats & Safeguards identification and evaluation</p> <p>See also indicators 1.13 – 1.15 and indicator 2.3 for more information on forest management risk related to traditional and indigenous peoples' rights.</p> <p>Threats to water sources that local and indigenous communities are dependent on for their livelihoods in general are:</p> <ol style="list-style-type: none"> 1. Land clearing for farms and plantations by communities and companies 2. Illegal logging around riparian buffers and in river headwaters 3. Road access construction that is not followed by soil and water conservation efforts 4. Mill effluent 5. Illegal mining <p>Concession permits for oil palm plantations, industrial timber plantations and mines are a serious threat for forests where traditional and indigenous peoples live and depend on them for their livelihoods. Walhi South Sumatra has recorded more than 60 cases regarding water issues in the province, in which 64.7% are clean water crisis faced by communities. The remaining 35.3%</p>	Primary forest, secondary forest, plantations and non-forest areas.	
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		<p>are water crises, such as drought or water deficit for the population. Most of the cases were caused by drought (49%), river pollution (17.6%), and prolonged dry seasons (15.7%). Fires in wetlands (peat swamps) have led to terrible health and economic impacts, and not only to communities around the fires but also neighbouring countries.</p> <p>In Jambi Province, the Anak Dalam tribe are also facing extinction. The tribe's Melangun nomadic tradition (temporarily settling in a certain area before moving to the next site) poses a challenge for them. To carry on this tradition, the Anak Dalam tribe eventually return to areas where they had settled in the past, but these sites have been converted into other land uses – such as forests converted into plantations – and now the tribe cannot trace their temporary settlement sites. Also see Category 2 outcomes for more details on threats on traditional and indigenous peoples.</p> <p>The late former president Abdurrahman Wahid (a.k.a. Gusdur) once advised that 165,000 ha land is allocated specifically for the Anak Dalam tribe. However, that land has now been designated as a national park. Other areas have been transformed into industrial timber plantations. The Anak Dalam tribe cannot enter these lands because it is illegal. Their home has been gazetted as a national park, which makes their Melangun tradition increasingly difficult to practice.</p> <p>Currently, in addition to providing housing for the Anak Dalam tribe (if the tribe is willing and without force), the Head of Merangin District, Mr. Al Haris, has stated his commitment to immediately prepare 1,000 ha land for the Orang Rimba or Anak Dalam tribe.</p> <p>A comprehensive solution is required to protect the forest where the tribe lives. Forestry policy improvement regarding forest planning is done through revision of Government Regulation No. 44 of 2004 concerning state forest and private forest (customary forest) gazette process. Indigenous and local communities must be put in a strategic position in developing forestry planning and forest function management and protection. An adequate forestry conflict reporting centre is needed for the public to report forestry conflicts related to HCV 5 amongst other issues. For wetlands (peat swamps), the Government through President's Decision No 1 of 2016 concerning Peat Restoration Agency is accelerating site restoration and returning peat's</p>		
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		<p>hydrological functions after forest and land fires through specific, systematic, directed, integrated, and comprehensive measures.</p> <p>Most of HCV 5 areas are located in non-forest areas and in secondary forests. All HCV 5 areas outside of forest areas face greater risks due to oil palm plantation expansion. HCV 5 areas in secondary forests and plantations require adequate protection because of its dwindling presence due to competition with economic interests, infrastructure developments, and other land use conversions.</p> <p>In conclusion, HCV 5 have been identified in the area under assessment and forest management activities are considered to be threatening HCV 5 values which are fundamental for satisfying the basic necessities of local communities thus this indicator is considered Specified risk for protection, production and conservation forests, and private forest land.</p>		
3.6 HCV 6	11,12	<p>Occurrence</p> <p>According to customary territory registration data by the Customary Territory Registration Body (BRWA), 49 customary territory maps have been registered in BRWA covering a total of approximately 382,409 ha in Aceh, Jambi, South Sumatra, North Sumatra, Bengkulu and Riau Provinces. In Talang Mamak indigenous territory in Indragiri Hulu District, nearly 200,000 ha are threatened by oil palm plantations, industrial timber plantations and mining. The Indigenous Peoples' Alliance of the Archipelago (AMAN) has identified the Talang Mamak indigenous people as a threatened group. Protection of the Talang Mamak customary forest received the Kalpataru Award in 2009, but after several years the area was reduced to several plots with total area of 2,300 ha because the government gave permits to concessions which destroyed the Talang Mamak indigenous forest. The Talang Mamak community practices the Gawai Gedang ritual, which is not only important to their identity, but also rich in ancestors' wisdom. In traditional rituals need required certain plant species located in customary forests. Besides the customary forest there are also food sources (such as animals, fish, and vegetables) for consumption during the customary ritual that can take more than a day.</p> <p>In Jambi Province, the Anak Dalam tribe are also threatened by extinction. According to the Minister of Social Affairs Mrs. Khofifah, former President Gusdur advised that 165,000 ha land is allocated specifically for the Anak Dalam tribe. However, that land has now been designated as</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land</p> <p>Primary forest, secondary</p>	<p>Specified risk for Sumatra.</p> <p>Threshold (30) is met: HCV 6 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>a national park. Other areas have been transformed into industrial timber plantations for companies such as PT Wana Printis, PT Agro Nusa Alam Sejahtera, PT Jebus Maju, PT Tebo Multi Agro, PT Lestari Asri Jaya, PT Malaka Agro Perkara, and PT Alam Lestari Makmur. The Anak Dalam tribe cannot enter these lands because it is illegal. With their home designated as national park, the Anak Dalam's nomadic movements are now restricted on areas which were their traditional territory.</p> <p>For the Anak Dalam Tribe, there is a tradition called "melangun" where, if there is a death which happened to one family, then the rest of the other families will leave the site for a long time. After a few years, they will return to it back. Before a company has a concession license, the area is their home range, but these locations become the forbidden area after concession license is issued and then the public should not enter the area without permission including indigenous peoples where the areas once was their traditional territory.</p> <p>Several HCV 5 and 6 assessments by Industrial Timber Plantation Business Concession for Utilising Timber Forest Product for Industrial Timber Plantations (IUPHHK-HTI) concession holders in South Sumatra show that there are HCV 5 and 6 areas within these concessions. In these areas many historic artefacts or sites were found.</p> <p>The Pandumaan Sipituhuta people in North Sumatra plant and maintain <i>Styrax</i> sp. forest for their livelihoods. When their forest is classified as part of an industrial timber plantation(s), the forest is cut down and <i>Acacia</i> trees are planted. The <i>Styrax</i> forest holds cultural and economic values for the community, and is integral to supporting their livelihoods. For the Anak Dalam tribe in Jambi, their nomadic range has shrunk because of oil palm and forestry conversion and concessions. Most of the remaining forests have been designated as national parks with zoning systems which further limits the Anak Dalam's range, especially in the parks' core zones. Outside of the park there are massive land conversion for oil palm, industrial timber and other plantations, such as rubber. Currently several groups of Anak Dalam tribe live inside oil palm plantations and industrial timber plantation areas.</p> <p>Using the precautionary approach and based on HCVF assessments in Sumatra, the area for HCV 6 is as follow (based on forest types): 1) primary forest = 1 area; secondary forest = 11</p>	forest, plantations and non-forest areas.	
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		<p>areas; 3) plantation forest = 1 area ha; and 4) non-forest areas = 47 areas See Annex 2 for HCV 6 pointed locations in Sumatra.</p> <p>Threats & Safeguards identification and evaluation</p> <p>See also indicators 1.13 – 1.15 and indicator 2.3 for more information on forest management risk related to traditional and indigenous peoples' rights.</p> <p>Several cases in which forest management threatens HCV 6 areas have been raised by the National Commission on Human Rights in the National Inquiry for the Pandumaan Sipituhuta vs. PT Toba Pulp Lestari (TPL) case. This case was submitted to the Ministry of Environment and Forestry (MoEF) and is currently ongoing. MoEF's reporting and monitoring centre was established on 12 March 2015 and has recorded that during 2014-2015, 314 cases involving violence occurred in the environment sector. The Anti Forestry Mafia Coalition conducted independent study on companies that received Timber Legality Assurance System certificates (SVLK) and found issues regarding tenure, fires, and customary forests.</p> <p>A comprehensive solution is required to protect HCV 6 areas. Forestry policy improvement regarding forest planning is done through revision of Government Regulation No. 44 of 2004 concerning state forest and private forest (customary forest) gazettelement process. Indigenous and local communities must be put in a strategic position in developing forestry planning and forest function management and protection. An adequate forestry conflict reporting centre is needed for the public to report forestry conflicts</p> <p>Most of HCV 6 areas are located in non-forest areas and in secondary forests. All HCV 6 areas outside of forest areas face greater risks due to oil palm plantation expansion. HCV 6 areas in secondary forests and plantations require adequate protection because of its dwindling numbers due to competition with economic interests, infrastructure developments, and other land use conversions.</p> <p>In conclusion, HCV 6 is identified in the area under assessment and sites considered critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples are threatened by management activities thus is considered Specified risk for protection, production and conservation forests, and private forest land.</p>		
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Recommended control measures

IMPT: For all below control measures please see the applicable HCV Category map to identify Specified risk areas.

Indicator	Recommended control measures
3.1 HCV 1	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Regular biodiversity monitoring and evaluations. 2. Periodic wildlife surveys. 3. Installment of an information board on HCV values. 4. Conservation campaign to local community and relevant stakeholders. 5. Awareness program for local community. 6. Routine patrol. 7. Hunting and fishing restriction in the areas where HCV1 presence
3.2 HCV 2	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Routine boundary patrols 2. Regular biodiversity monitoring and evaluations 3. Installment of an information board on conservation areas containing HCVs 4. Restriction access to forest concession 5. Conservation campaign for local community(s) and relevant stakeholders 6. Awareness program for the local community(s) 7. Hunting and fishing restriction in the HCV 2 areas 8. Development of collaborative management among stakeholders

	<p>9. Engagement in key conservation programs such as:</p> <p>a. Elephant Conservation Program initiated by WWF</p> <p>Sumatran Tiger Save project</p>
3.3 HCV 3	<p>Evidences of protection measures can be obtained from the manager covering the following:</p> <ol style="list-style-type: none"> 1. Regular patrol – SOP available 2. Improved road infrastructure to provide easy access for regular patrol. 3. Strict guard system on all entry access for the prevention of illegal activities - SOP 4. Degraded ecosystem restoration program – SOP is available 5. Development of conservation areas in collaboration with local community (including encouraging local community to establish their own conservation areas based on their need) 6. Installment of information board on conservation areas containing HCV3 7. Conservation awareness program
3.4 HCV 4	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. A Early Warning System to monitor fires 2. Enrichment planting and forest rehabilitation in the degraded forest and riparian zone (especially area located in steep slopes of >40%) 3. Installment of information board 4. Conservation campaign to local community(s) and relevant stakeholders 5. Awareness program for local community(s) 6. Regular patrol 7. Monitoring and evaluation
3.5 HCV 5	<p>Verifier:</p> <p>Some NGOs in Sumatra are doing advocacy work for indigenous peoples rights. Such as KSSPM (Kelompok Studi dan Pengembangan Prakarsa masyarakat) offering support to the indigenous communities are Pandumaan Humbang and Hasundutan-Sipituhut in North Sumatra (http://www.ksppm.org/beritasopo). For the</p>

Anak Dalam Tribe, some NGOs that provide guidance and oversight of policies about the presence of SAD are Warsi (Warung informasi), <http://www.warsi.or.id/>, Cappa (<http://cappa.web.id/sweet-it-came-at-end-year/>). Also national NGOs including WALHI, AMAN, JKPP (Participation Mapping network), Samdhana Institute, and Episteman Huma are acting as indigenous rights policy and law watchdogs.

Verifier:

Some NGOs in Kalimantan are doing advocacy work for indigenous peoples including: as Yayasan Pancur Kasih, Institut Dayakologi and offer support to the Dayak Tribe in Kalimantan, LBBT (Lembaga Bela Banua Talino). National NGOs including WALHI, AMAN, JKPP (Participation Mapping network), Samdhana Institute, and Episteman Huma are acting as indigenous peoples' rights policy and law watchdogs.

To get additional confirmation there is a concern with HCV 5 values connected to indigenous communities located in areas identified on the HCV 5 map for Sumatra one could outreach to one or more of the above NGOs.

Control measures which include evidence of:

- Continued to support Customary communal rights through local and national regulation, this becomes Conservation set-asides areas as HCV5
- Local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives).
- Community development and livelihoods projects (e.g. employment and healthcare)
- Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks)
- Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous cover forestry)
- Infrastructure planning (e.g. improved road building)
- Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife)
- Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives)

Source :

1. <http://www.ksppm.org/beritasopo>
2. http://www.ksppm.org/temuan_awal_inkuiri_adat_Sumatra.pdf
3. <http://cappa.web.id/category/kanal-kampung/>

	<ol style="list-style-type: none"> 4. http://www.warsi.or.id/ 5. Media reports (Mongabay.com, greenomics.org, red-monitor.org, thejakartapost.com, eyesontheforest.org) 6. Global Platform of Indigenous and Community lands: http://www.landmarkmap.org/ 7. https://samdhanainstitute.wordpress.com/2015/10/12/mendorong-terwujudnya-perda-masyarakat-adat-di-kabupaten-tebo-jambi/ 8. http://www.mahkamahkonstitusi.go.id/index.php?page=web.Berita&id=13148&menu=2#.V7eRVJh9600 9. http://www.mongabay.co.id/2015/07/28/akhir-tahun-huma-targetkan-pengesahan-15-perda-masyarakat-adat/
3.6 HCV 6	<p>Verifier:</p> <p>Some NGOs in Sumatra are doing advocacy work for indigenous peoples rights such as KSSPM (Kelompok Studi dan Pengembangan Prakarsa masyarakat) offering support to the indigenous communities are Pandumaan Humbang and Hasundutan-Sipituhut in North Sumatra (http://www.ksppm.org/beritasopo). For the Anak Dalam Tribe, some NGOs that provide guidance and oversight of policies about the presence of SAD are Warsi (Warung informasi), http://www.warsi.or.id/, Cappa (http://cappa.web.id/sweet-it-came-at-end-year/). Also national NGOs including WALHI, AMAN, JKPP (Participation Mapping network), Samdhana Institute, and Episteman Huma are acting as indigenous rights policy and law watchdogs.</p> <p>To get additional confirmation there is a concern with HCV 6 values connected to indigenous communities located in areas identified on the HCV 6 map for Sumatra one could outreach to one or more of the above NGOs</p> <p>Control measures which include evidence of:</p> <ul style="list-style-type: none"> • Continued to support Customary communal rights through local and national regulation, this becomes Conservation set-asides areas as HCV5 • Local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). • Community development and livelihoods projects (e.g. employment and healthcare) • Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks) • Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous cover forestry) • Infrastructure planning (e.g. improved road building) • Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife) • Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives)

	Source : <ol style="list-style-type: none"> 1. http://www.ksppm.org/beritasopo 2. http://www.ksppm.org/temuan_awal_inkuiri_adat_Sumatra.pdf 3. http://cappa.web.id/category/kanal-kampung/
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Information sources

No.	Source of information	Relevant HCV category and indicator
1	<ol style="list-style-type: none"> 1. IDEAS Consultancy (2011). Laporan Kajian HCVF PT Salaki Summa Sejahtera. Pulau Siberut. IDEAS Consultancy. Published in 2011 2. INNR (N.Y). Laporan Kajian Pendahuluan HCVF di PT RAPP, Pulau Padang dan Semenanjung Kampar. INNR. 3. PT RAPP and IPB (2018). Identifikasi dan Analisis Keberadaan HCVF di Kawasan Hutan IUPHHK HTI PT. Riau Andalan Pulp and Paper (Pulau Padang), Provinsi Riau. Kerjasama PT RAPP dengan Fakultas Kehutanan IPB. Tahun 2008. 4. Suryadinata, Y. (2012). Laporan Penilaian Kawasan Hutan Bernilai Konservasi Tinggi di unit pengelolaan hutan PT. Xylo Indah Pratama (PT XIP) dan PT. Lawang Indah Pratama (PT LIP). Kabupaten Musi Rawas dan Empat Lawang, Propinsi Sumatra Selatan. Tahun 2012. 5. Jarvie, J.; Jajaray, K. & Hadiono, M. (2003). A High Conservation Value Forest Analysis of the Giam Siak Kecil Landscape – Riau, Sumatra, A report to WWF – International. Dr. James Jarvie, Kishokumar Jajaray, and Martin Hadiono. 6. Unesco (N.Y). Tropical Rainforest Heritage of Sumara. Available at: http://whc.unesco.org/en/list/1167 	HCV 1 Occurrence

	<p>7. IUCN Redlist (N.Y). Available at: http://www.iucnredlist.org/</p> <p>8. Perbatakusuma, EA, J.Supriatna, I.Wijayanto,H, Soedjito, AH.Damanik, K.Azmi, MC.Arif and AH. Lubis (2010). Strengthening Biodiversity Conservation at Key Landscape Areas in the Northern Sumatra Corridor. Technical Project Report Conservation International, Jakarta, Indonesia</p>	
2	<p>1. IDEAS Consultancy (2011). Laporan Kajian HCVF PT Salaki Summa Sejahtera. Pulau Siberut. IDEAS Consultancy. Published 2011</p> <p>2. INNR (N.Y). Laporan Kajian Pendahuluan HCVF di PT RAPP, Pulau Padang dan Semenanjung Kampar. INNR.</p> <p>3. PT RAPP and IPB (2008). Identifikasi dan Analisis Keberadaan HCVF di Kawasan Hutan IUPHHK HTI PT. Riau Andalan Pulp and Paper (Pulau Padang), Provinsi Riau. Kerjasama PT RAPP dengan Fakultas Kehutanan IPB. Tahun 2008.</p> <p>4. Suryadinata, Y. (2012). Laporan Penilaian Kawasan Hutan Bernilai Konservasi Tinggi di unit pengelolaan hutan PT. Xylo Indah Pratama (PT XIP) dan PT. Lawang Indah Pratama (PT LIP). Kabupaten Musi Rawas dan Empat Lawang, Propinsi Sumatra Selatan. Tahun 2012.</p> <p>5. Jarvie, J.; Jajaray, K. & Hadiono, M. (2003). A High Conservation Value Forest Analysis of the Giam Siak Kecil Landscape – Riau, Sumatra, A report to WWF – International. Dr. James Jarvie, Kishokumar Jajaray, and Martin Hadiono. Kementerian Lingkungan Hidup dan Kehutanan. 2014.</p> <p>6. Ministry of Environment and Forestry of Indonesia (2014). The Fifth National Report of Indonesia to the Convention on Biological Diversity. (Direktorat Inventarisasi dan Pemantauan Sumber Daya Hutan, Dirjen Planologi Kehutanan dan Tata Lingkungan, Kementerian LHK, Tahun 2015. Rekalkulasi Penutupan Lahan di Indonesia, tahun 2014.) Available in English at: https://www.cbd.int/doc/world/id/id-nr-05-en.pdf</p> <p>7. Act No. 5 year 1994 concerning Ratification on Biological Diversity Convention</p> <p>8. Ministry of Forestry Regulation No. P. 50/Menhut-II/2009 concerning Confirmation on Status and Function of Forest Areas</p> <p>9. Participatory Conservation Planning Manual. Conservation Training and Resource Center. Applied Biology Building, Lantai 2. SEAMEO BIOTROP</p>	HCV 1 Threats

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7	<ol style="list-style-type: none"> 1. Government Decree No. 38 of 2011 concerning Rivers 2. Government Decree No. 28 of 2011 concerning Sanctuary Reserves and Nature Conservation areas 3. Decree of Minister of Public Works and Housing No. 28/PRT/M/2015 4. Decision Letter of Minister of Agriculture No. 837/KPTS/UM/11/80 5. IDEAS Consultancy (2011). PT Salaki Summa Sejahtera HCVF Assessment Report. Siberut Island. IDEAS Consultancy. Published in 2011 6. IDEAS Consultancy (2015). PT DRT Preliminary HCVF Assessment Report, Riau Province. IDEAS Consultancy. 2015 7. APCS (2013). Identification and Analysis of HCVF Presence in PT SPA Industrial Timber Plantation Business Concession for Utilising Timber Forest Product (IUPHHK), Riau Province. PT Pandu Maha Wana (APCS). 2013 	HCV 4 Occurrence
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9	<ol style="list-style-type: none"> 1. Working Group ICCAs Indonesia (2016). Melihat Margo di Batanghari (Pp. 103-108). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 2. HCV Assessment Report Summary for PT Bumi Persada Permai 2 Musi Banyuasin, South Sumatra. March 2014 (Ekologika) 	HCV 5 Occurrence

	<ol style="list-style-type: none"> 3. HCV Assessment Report Summary for PT Bumi Persada Permai 1 Musi Banyuasin, South Sumatra. March 2014 (Ekologika) 4. HCV Assessment Report Summary for PT Tripupa Jaya Banyuasin, South Sumatra. March 2014 (Ekologika) 5. HCV Assessment Report Summary for PT Rimba Hutani Mas Musi Banyuasin, South Sumatra. March 2014 (Ekologika) 6. HCV Assessment Report Summary for PT Sumber Hijau Permai Banyuasin and Musi Banyuasin, South Sumatra. March 2014 (Ekologika) 7. BRWA (N.Y). Map; Customary Territory Registration Body: Mukim Sarah Raya customary territory (www.brwa.or.id/sig/) 8. IFACS (2014) Gayo Lues District Natural Landscape Conservation Plan 9. Summary Report of SEIA and HCV Assessment PT Dendymarker Indah Lestari Musirawas District – South Sumatra Province, Indonesia 10. Summary of SEIA and HCV Reports PT Agro Muara Rupit (SIPEF Group) Kab. Musi Rawan South Sumatra Province 11. IDEAS Consultancy (2011). PT Salaki Summa Sejahtera HCVF Assessment Report. Siberut Island. IDEAS Consultancy. Published in 2011 12. INNRR (N.Y.). PT RAPP Preliminary HCVF Assessment Report, Padang Island and Kampar Peninsula. INNRR. 13. PT RAPP with IPB. (2008). Identification and Analysis of HCVF Presence in PT Riau Andalan Pulp and Paper (Pulau Padang) Industrial Timber Plantation Business Concession for Utilising Timber Forest Product (IUPHHK), Riau Province. Collaboration between PT RAPP with Faculty of Forestry, IPB. 2008. 14. Suryadinata. Y. (2012). High Conservation Value Forest Assessment Report in PT Xylo Indah Pertama (PT XIP) and PT Lawang Indah Pratama (PT LIP) forest management units. Musi Rawas and Empat Lawang Districts, South Sumatra Province. 2012. 	
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	<ol style="list-style-type: none"> 3. Government Decree No. 28 of 2011 concerning Sanctuary Reserves and Nature Conservation areas 4. Decree of Minister of Public Works and Housing No. 28/PRT/M/2015 5. Decision Letter of Minister of Agriculture No. 837/KPTS/UM/11/80 6. Harian, B. (2016). Walhi Sumsel: Laju Industri Ekstraktif Menyebabkan Daerah Serapan Air Rusak. Greeners. Co. Available at: http://www.greeners.co/berita/walhi-sumsel-laju-industri-ekstraktif-menyebabkan-daerah-serapan-air-rusak/ 7. Wijaya, T. (2014). Mengapa Kebakaran Lahan Gambut di Sumsel Tak Kunjung Usai? Inilah Ulasannya. Mongabay. 9. October 2014. Available at: http://www.mongabay.co.id/2014/10/09/mengapa-kebakaran-lahan-gambut-di-sumsel-tak-kunjung-usai-inilah-ulasannya/ 8. Aramingtyas, L. (2016). Mencengangkan! Peta BRG Perlihatkan Setengah Juta Hektar Konsesi de Kubah Gambut. Mongabay. 10. June 2016. Available at: http://www.mongabay.co.id/2016/06/10/mencengangkan-peta-brg-perlihatkan-setengah-juta-hektar-konsesi-di-kubah-gambut/ 9. Setianwan, A. (2016). Inilah Perpres No. 1 Tahun 2016 tentang Badan Restorasi Gambut. Setkab.go.id. Available at: http://setkab.go.id/inilah-perpres-no-1-tahun-2016-tentang-badan-restorasi-gambut/ 10. Peraturan Menteri Kehutanan. P. 37/Menhut-II/2017: Peraturan Menteri Kehutanan No: P.37/Menhut-II/2007 Tentang Hutan Kemasyarakatan 11. Peraturan Menteri Kehutanan Republik Indonesia Nomor: p.88/Menhut-II/2014. Available at: Peraturan Menteri Kehutanan Republik Indonesia No: _88/Menhut-II/2014 tentang Hutan Kemasyarakatan 	
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Area under Assessment: Kalimantan				
Indicator	Sources of Information	HCV occurrence and threat assessment	Functional scale	Risk designation and determination
3.1 HCV 1	1,2	<p>Occurrence</p> <p>Almost all forest management units managed by private/forest concessionaires are located in primary and secondary forest areas which are topographically and physiographically located close to and/or adjacent to areas of EBA (Endemic Bird Area) and IBA (Important Bird Areas), protected forests and nature reserves are important for supporting local biodiversity. And thus, almost all forest concessions (HPH) in natural production forests contain HCV1 and support the maintenance of biodiversity for conservation and protected areas nearby. In addition, the presence of HCV1 in riparian forests, conservation areas (KPPN), Protected Forest buffer zone and areas with the gradient of more than 40% play a significant role to support the surrounding biodiversity.</p> <p>Based on an analysis of FSC public summary reports linked to HCV values in Kalimantan, there are a number of plants, such as those belonging to the Dipterocarp family, categorized under IUCN criteria as Critically Endangered (CR), Endangered (EN), Rare (R) and Vulnerable (Vu). Similarly, the Kalimantan region is rich with fauna, many of which endemic and/or threatened as categorized under IUCN Red List as Critically Endangered (CR), Endangered (EN), Rare (R) and Vulnerable (Vu). For example, the Orang-utan (<i>Pongo pygmaeus</i>), the sunbear (<i>Helarctos malayanus</i>), the clouded leopard (<i>Neofelis nebulosa</i>) and some rare and endangered birds and reptile species are found in this region. Most of the primary and secondary forests are managed by private, co-operatives, state/district and communities and are home to rare and endangered species and some of these fauna are listed under CITES's Appendix I and II.</p> <p>Borneo which is also a part of Kalimantan is known to be rich in flora and fauna. This is due to the unique characteristics of the lowland Dipterocarp forests in Kalimantan region, especially those found in the Mueller-Swachners mountain range. In Borneo, there are at least 420 bird species and 37 are endemic ((28 species are from genera of Haematortyx, Chlamydochaera, Chlorocharis, and</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and</p>	<p>Specified risk for Kalimantan</p> <p>Threshold (8) is met: HCV 1 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>Oculancincta) which are mostly found only in the mountain range forests. The number of vertebrate species is relatively lower than those found in Sumatra but the region has higher endemism rate with 44 endemic species compared to Sumatra with 23 endemic species. The remaining forest areas in Kalimantan are very important as refugia for some endemic species and are currently threatened by human activities. The areas surrounding the Mueller-Schwaner Mountain range are classified by the district and central government as protected and conservation areas. Three conservation areas play an important role in supporting the biodiversity and serve important biological and ecological function: 1) Bukit Baka-Bukit Raya National Park (180,000 ha), 2) Betung Kerihun National Park (800,000 ha) and 3) Sapat Hawung Nature Reserve (240,000 ha).</p> <p>Using the precautionary approach and based on the HCV assessments drawn from FSC public summary reports in Kalimantan and forest coverage delineation following HCVF Toolkits' guidance, the total size for HCV 1 are as follows (based on forest types): 1) primary forest = 9,922,731 ha, 2) secondary forest = 20,688,912 ha, 3) plantation forest = 158,319 ha, and 4) non-forest = 8,285,742 ha. See Annex 3 for HCV 1 mapped areas in Kalimantan. See Annex 3 for HCV 1 mapped areas in Kalimantan.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Most or all habitats and proxies considered as HCV 1 are potentially threatened by forestry operations linked to habitat removal, habitat fragmentation and to some extent, invasive alien species encroachment. The introduction of exotic plant species that slowly turn invasive has become a major issue in some production forest and plantation forests. However, in most of the certified forest management units their introductions are mainly unintentionally or due to limited knowledge on invasive alien species information.</p> <p>Legal protection for designated conservation and protection areas is stipulated under Act no. 41 year 1999, and other regulations concerning to conservation and protection (see indicator 1.9 for more details) of important ecosystems such as peat swamp, karst, riparian and others. Some areas that are fully protected under such regulations are under threat of being fragmented due to being vulnerable to illegal logging via road access and are also prone invasive alien species encroachment.</p>	non-forest areas.	
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		<p>Illegal logging and forest encroachment remains serious problems for almost all production forest and conservation areas in Kalimantan. Forest conversion to oil palm plantation is currently the main threat of habitat and forest biodiversity loss. These threats are acknowledged by the recent report from the Indonesia government in the 5th National Report of Indonesia to the Convention on Biological Diversity. Indonesia has now developing new Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2015-2020. The implementation of IBSAP in 2012 showed that the government has faced with a number of challenges such as (i) lack of understanding of the function of biodiversity in the area; (ii) Biodiversity issues have not become major issues; (iii) lack of political support; (iv) lack of adequate human resources with knowledge of issues on Biological Diversity; (v) lack of synergy of the Biodiversity programs; (vi) lack of dissemination of the Biodiversity management policy; (vii) the absence of monitoring institutions and evaluation in the area; (viii) lack of stakeholders involvement in the area. Until presently, IBSAP implementation has been so far considered as voluntary while lacking of monitoring and coordination among relevant sectors. In addition, there is no specific institution to coordinate IBSAP implementation. Yet, some increases have taken place such as an increased number of conservation areas and protected areas, an increasing number of flora and fauna pursued in ex-situ conservation, as well as ecosystems rehabilitation efforts (mangrove forests and coral reefs). Furthermore, there is community involvement in managing biodiversity, development of sustainable consumption, increase of capacity building and rehabilitation in an effort to deal with habitat loss and biodiversity degradation.</p> <p>HCV 1 is identified in the area under assessment and it is threatened by management activities through habitat fragmentation, removal and invasive species encroachment which is compounded by other land use change threats leading to a Specified risk designation for protection, production and conservation forests, and private forest land.</p>		
3.2 HCV 2	3,4	<p>Occurrence</p> <p>Using the precautionary approach and based on previous FSC HCVF assessments conducted in Kalimantan and forest coverage delineation according to the HCVF Toolkits' guidance the total size for HCV 2 are as follows (based on forest types): 1) primary forest = 9,909,581 ha, 2) secondary forest = 20,658,973 ha, 3) plantation forest = 34,967 ha, and 4) non-forest = 1,131,866 ha. See Annex 3 for mapped HCV 2 areas in Kalimantan. Note: some HCV2 attributes found in Kalimantan naturally cross regional boundaries. This delineation also considers the global IFL maps developed</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p>	<p>Specified risk for Kalimantan.</p> <p>Threshold (12) is met: HCV2 is identified and/or its occurrence is likely in the area</p>

		<p>by Greenpeace and Global Forest Watch (2014). There is no FSC risk designation available for parts located outside of national boundaries.</p> <p>Secondary forests mostly managed by large scale forest concessionaires have the highest HCV2 coverage (see Annex 3 for HCV 2 mapped areas).</p> <p>Threats & Safeguards identification and evaluation</p> <p>In Kalimantan, commercial timber is currently extracted mainly from natural primary and secondary forests and Kalimantan has a large number of forest concession areas which are often shared as mining areas. Based on the recent report from Statistic Center Agency (Badan Pusat Statistik) year 2015, there are 158 timber concessions (HPH) and 73 plantation/timber estate located in Kalimantan (57%). The total number of active HPH in Indonesia are 276 and forest plantations are 258.</p> <p>The rate of forest conversion to oil palm plantations is also relatively high in the region. The expansion of the oil palm industry is alarming and with the decentralization era it is difficult to control the permits given out for oil palm plantations (on top of thousands of permits released for mining). Some wetlands are now in poor condition due to river pollution, rice fields which have turned into houses or peat land areas which have been damaged due to fires or converted into oil palm or forest plantations. The rate forest conversion due many drivers are also threatening HCV 2 thus compound the level of threats to HCV2 by forest management.</p> <p>Regardless of the proactive action by government through implementing a moratorium on new licenses to convert primary natural forests and peat lands and global market demand to curb illegal logging, illegal logging continues to take place in Kalimantan, especially where access is facilitated through forest openings from recent timber harvesting.</p> <p>Based on a study from Kajian Ekosistem Raperpres RTR Kalimantan (Prihatna, 2009), lowland tropical rainforests of Borneo have faced large scale fragmentation, especially due to road construction for mining, logging and oil palm plantation. Based on the overlay of HCV2 and IFLs, the concentration of the HCV2 attributes are situated in the center of the Borneo island which is now declared as 'The heart of Borneo'. The heart of Borneo refers to the core areas or main part of the Borneo island where forest remain intact. It is an initiative of three neighboring countries of</p>	<p>Protection , production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>under assessment, and it is threatened by management activities.</p>
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		<p>Indonesia, Malaysia and Brunei Darussalam to manage the upper-land and mountain biodiversity rich area of tropical rain forest in Borneo. These three countries commit to manage this intact forest based on the principle of conservation and sustainable development. There is no specific legislation or enforcement in place to protect the whole area.</p> <p>To date, many forest areas have not yet officially and fully been delineated by the government and leaving operating under unclear boundaries and land tenure. This situation facilitates illegal activity. Common threats to HCV2 are forest fragmentation due to road construction, logging and mining activity.</p> <p>HCV 2 is identified in the area under assessment and it is threatened by management activities through fragmentation through road building and logging, thus is considered Specified risk for protection, production and conservation forests, and private forest land.</p>		
3.3 HCV 3	5,6	<p>Occurrence</p> <p>Using the precautionary approach and based on FSC HCVF assessments done in Kalimantan, the total size for HCV 3 are as follows (based on forest types): 1) primary forest = 4,508,853 ha, 2) secondary forest = 15,305,993 ha, 3) plantation forest = 667,143 ha, and 4) non-forest = 25,066,486 ha. HCV3 is found mainly in wetland areas including peat and peat swamp forests, mangroves, and lowland Dipterocarps forests. See Annex 3 for HCV 3 mapped areas in Kalimantan. These ecosystems have been through a rapid depletion due to oil palm expansion during the last decades. Based on the precautionary approach as suggested under HCVF toolkit 2008, almost all areas in Kalimantan contain HCV3 due to its overall conservation status. In particular, these forest remnants became highly threatened over past 10 years and they are prone to forest opening. Most of this area remains densely covered by forest. For example, karst ecosystem with relatively large size is located in the center of Kalimantan Region known as Heart of Borneo. All of the remaining forest in Kalimantan contain unique ecosystems such as kerangas (heath forest), karst, Hill Dipterocarps forests, peat swamp and swamp forests, and mangroves. Based on the analysis of a number of FSC public summary reports on HCVF from this area, they indicate that the size of heath forest, karst and other types of forests classified are large but rare and threatened. These unique ecosystems also play an important role in supporting the local biodiversity. Riparian zones, most national parks and conservation/protection areas are protected for the ecosystem uniqueness and</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p>	<p>Specified risk for Kalimantan.</p> <p>The following risk thresholds are met:</p> <p>(17) HCV3 is identified and/or its occurrence is likely in the area under assessment and it is threatened by forest/management activities; AND</p> <p>(18) There is no progress in achieving Aichi</p>

		<p>biodiversity richness and host HCV3s. The highest portion of HCV3 values are located within primary and secondary production forests (see Annex 3 HCV 3 map for more details).</p> <p>Threats & Safeguards identification and evaluation</p> <p>Deforestation and forest degradation are continuing at an alarming rate, after having decreased significantly around the beginning of 2000. FAO reported that the annual average net deforestation rate was 0.3% during the period 2000–05 and yet increased to 0.7% between 2006 and 2010. Analysis of satellite data confirmed that trend: forest loss more than doubled during the period 2000 from less than 1 million ha/year in 2000–01 to more than 2 million ha/year in 2011. The increase in deforestation has been particularly fast in some parts of the country, including Central and West Kalimantan provinces.</p> <p>Regardless of the issuance of a number of regulations with regard to ecosystem protection and conservation, such as Act no.5 year 1990 that currently under revision to integrate recent issues and effort to address international convention mandate (Cartagena Protocol, Aichi Biodiversity Target, Kyoto Protocols, and others), the facts on ground indicate rapid land conversion for non-forest uses. One of the main drivers for rapid land-use changes has been the expansion of oil palm plantations in Kalimantan region. The total area of oil palm estates has risen up from about 2.5 million ha in 2000 to more than 8 million ha in 2013, and during the period of 2011- 2013 the areas of oil palm has reached up on average of 630,000 ha/annual (Hoare and Wellesley, 2014). Consequently, many of rare, threatened and endangered ecosystems that yet have been identified in Kalimantan may be already lost.</p> <p>The Indonesia economic condition has been seriously affected by the rapid loss of forest and although forestry contributes only small portion of total gross domestic product (GDP), but Indonesia still fully depends on export-earning sectors such as wood processing Industry. This high pressure on forest leads to serious threats to HCV3 and particularly given the lack of effective protection. There is slow progress in achieving Aichi biodiversity targets. Aichi Biodiversity Target No. 11 the goal of 571 conservation areas being implemented has been slow as of 2014, and of the 571 conservation areas, 182 have endorsed management plans, 87 with no endorsed management plans, and 252 without a management plan. Of the formation Zone/Block 571 conservation areas, 67 have been endorsed, 18 have not been endorsed, and 436 have no zonation/block.</p>	<p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>biodiversity targets.</p>
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		<p>Regardless of effort from the government to protect these ecosystems through regulations such as under the Act no 5 and better protection through example Indonesia's CBD commitments, a number of challenges in maintaining ecosystem integrity has been identified in the 5th national report to the Convention on Biological Diversity such as habitat changes due to mining activity and illegal activity i.e., forests encroachment and illegal logging, influx of invasive alien species, climate change, air and water pollution and overexploitation of natural resources. Especially in the Kalimantan region, addressing Aichi Target no.11 might be halted with the fact that there are still many reports uncovering illegal logging activities (from over-harvesting by licensed concessionaires, to illegal operations run by criminal syndicates, or to encroachment into certified areas and conservation areas by smallholder farmers) – also see Category 1 for more details on threats from illegal activities. Moreover, the government still needs to map the present distribution and condition of various ecosystem in Kalimantan regions.</p> <p>HCV 3 is identified in the area under assessment and it is threatened by forest management activities through habitat loss and fragmentation mainly via rapid forest conversion and illegal logging and there is limited progress by the Indonesian government in achieving its Aichi biodiversity targets thus this indicator is considered Specified risk.</p>		
3.4 HCV 4	7,8	<p>Occurrence</p> <p>Kalimantan forests provide a range of natural environmental services. HCV 4 areas in Kalimantan can be classified into eight subtypes as follows:</p> <ol style="list-style-type: none"> 1. River headwaters (sub watershed), springs, areas with high and very high erosion danger risks 2. Lakes, swamps and/or swamp forests 3. Rivers (river courses and riparian areas) 4. Peat domes and peat hydrological units 5. Mangrove forests 6. Coastlines 	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private</p>	<p>Specified risk for Kalimantan.</p> <p>Threshold (22) is met: HCV 4 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>7. Areas with slopes greater than 40%</p> <p>8. Karst mountains</p> <p>Based on HCV assessment documents from FSC public summary reports, it is observed that HCV 4 criteria are found in areas with protection functions and some are found outside of protected areas. Using the precautionary approach, the HCV assessment documents and guidance from the HCV toolkits HCV 4 areas in Kalimantan include: Primary Forest 9.918.939 Ha, Secondary Forest 20.676.849 Ha, Plantation Forest 51.365 ha and Non Forest 4.600.291ha. See Annex 3 for HCV 4 areas mapped in Kalimantan.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Sustainability of environmental functions provided by HCV 4 values in Kalimantan forests are facing threats and disturbances that can reduce or even eliminate their HCV 4 functions and presence. These threats are found in nearly all HCV types, although there are several HCV 4 typologies that are particularly vulnerable to land clearing, and one of which is peat land. Peat land is sensitive to changes in its surrounding environment, including changes in mineral soils. Therefore, management of HCV 4 areas in peat land must be supported by management of surrounding areas, or a practice known as HCV-MA (management area), especially in areas within one peat hydrological units.</p> <p>Threats to HCV 4 presence in Kalimantan comprise of the following:</p> <p>1. Land clearing for farms and plantations by communities (also see Category 4 on more details related to threat of forest conversion) Nearly all HCVF reports place threats of land clearing at the top of the list because in addition to the threat of HCVF loss, land clearing effects forest managers negatively due to loss areas that are supposed to be managed as productive forests. Land clearing activities that threaten the presence of HCV 4 areas in cases where these land clearing activities (i) ignore land and water conservation principles, (ii) are done by burning, and (iii) are done along riparian buffer zones. Such activities have led to increased surface runoff and soil erosion. This results in river sedimentation which reduced the river's capacity to hold water, and in turn increases floodplain areas.</p> <p>2. Illegal logging around riparian buffers and in river upstream</p>	<p>forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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		<p>Illegal logging around riparian buffers takes place by taking advantage of local authorities' poor oversight. The facts on the ground indicate that illegal logging is also facilitated by existing road access.</p> <p>3. Road access construction that is not followed by soil and water conservation</p> <p>It was recorded in a number of areas that the source of river sedimentation is used in road constructed for company production access. Currently required civil engineering techniques and structures for soil and water conservation are adhered to in the construction of these roads (e.g. road side pit). Soil erosion causes the surface layer of top soil becomes depleted. The soil erosion causes considerable impact, both at the place of origin of erosion (on-site) and elsewhere (off-site). The impact of soil erosion on site will usually be felt directly by those who manage the land, namely the reduction in the level of productivity of the soil. Declining soil productivity can be characterized by several things such as:</p> <ol style="list-style-type: none"> 1. The loss of soil fertility due to runoff particle-particle or minerals in the soil, making it difficult to clear land for cultivation. 2. Decreased crop yields 3. Increased cost of fertilizer use 4. Decreased ability of soil to absorb water (infiltration). This in turn can lead to increased water runoff on the soil surface and in the end may be flooding. 5. Changes in the structure of the soil 6. Changes in the soil profile 7. The land became barren <p>The damage caused to the environment off-set also has impacts. Soil erosion will cause sedimentation, resulting in huge losses to the lives around, such as:</p> <ol style="list-style-type: none"> 1. The occurrence of silting of rivers or lakes 		
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		<p>2. The accumulation of building and agricultural lands</p> <p>3. The decline in water quality</p> <p>4. Inhibits the smooth transportation of water</p> <p>5. Disruption of aquatic ecosystems (aquatic biodiversity)</p> <p>Communities have claimed some parts of forests for various purposes. These community land claims arose due to differences in perceptions of boundaries between communities and companies, and even with local government officials. For communities, village permission is sufficient for obtaining land tenure, and meanwhile village governments do not have a comprehensive understanding of forest boundaries. In addition, companies often cannot do much, and therefore can risk losing control of their land, which indirectly can threaten the presence of HCV areas (caused by forest encroachment. especially in the areas that have easy access like riparian areas).</p> <p>HCV 4 is identified in the area under assessment and it is threatened by management activities linked to soil erosion and sedimentation impacts and negative impacts on water quality, thus this indicator is determined as Specified risk for Kalimantan region.</p>		
3.5 HCV 5	9,10	<p>Occurrence</p> <p>Borneo is an island with a network of large, long rivers with interconnected tributaries. Such natural conditions have made the people of Kalimantan inseparable from their dependence on rivers. Their daily activities and need of water are obtained from rivers and they provide a fundamental basic necessity for their livelihoods. Although currently clean water facilities are being developed in remote villages, the roles of rivers cannot be fully replaced nor are they available in all remote villages.</p> <p>The presence of rivers and wetlands such as peat swamps are closely tied to the lives of local and indigenous communities in Kalimantan. In several areas, rivers provide the primary means of transportation for the people because transportation infrastructure is still inadequate. For a number of Dayak tribes, rivers provide their cultural identity because names of rivers are the same as the names of the tribes that live along them. In Kalimantan, the Dayak community believes that “the land is our lives and breath”. The community is greatly dependent on natural resources and are</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection , production and conservation forests</p>	<p>Specified risk for Kalimantan.</p> <p>Threshold (26) HCV 5 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>fundamental for satisfying their basic necessities. These natural resources are also associated with strong cultural ties and traditions. For example, approximately 25,000 people live around Kayan Mentarang National Park in Malinau and Nunukan Districts, East Kalimantan depend on the forest for their sustenance, food, construction materials, medicine, cash income, water sources, and culture.</p> <p>HCVF reports (some of the report has been reviewed by HCVRn) (https://www.hcvnetwork.org/als/public-summaries) in Kalimantan state that HCV 5 areas are located in primary forests, secondary forests and agroforestry areas in which communities have delineated as areas of livelihoods (non-timber forest products), food, medicine, construction materials, and fruits (tembawang, or former fallow farms), and significant customary lands for the communities such as old villages and customary forests.</p> <p>To strengthen the customary lands strictly protected by the Dayak indigenous peoples, up to the end of 2015, 346 customary territories covering 4.2 million ha in Kalimantan were registered in BRWA. The purpose of BRWA is to become the information body of the ancestral domain through documenting the existence of Indigenous Peoples and their ancestral domain. The information then will communicated to the stakeholders, especially to the government as one of their reference source to influence their policy related to the land, forest and indigenous peoples towards the recognition of the rights of Indigenous Peoples in Indonesia. BRWA function is not to protect, but only provide spatial data to process and social recognition customary territories For the protection of indigenous territories through legislation and the legality of the government. This customary territory registration data also contain community's history and their customary lands, territory management and land use, as well as significant sites and biodiversity in the customary territories.</p> <p>Management practices of indigenous territories based on traditional wisdom and landscape form a communal management structure. Forest management practices are customary (landscape) as Tana 'Ulen in Dayak Kenyah (North Borneo), the management of peat swamp the Handil system (Central Kalimantan), Dayak Meratus to know the area a sacred site where the tomb of the Patriarchs and are prohibited from being damaged or disturbed, and woody which is forest used as a field-forest, only used on a limited basis to make homes and customs hall, as well as to take medicinal plants. Until the end of 2015, 49 indigenous territories with an area of 382.409 hectares of indigenous territories in Kalimantan map recorded in the Indigenous Territory of Registration</p>	<p>as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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		<p>report, Komnas HAM found forest operation activities connected to human rights abuses, e.g. preventing access to traditional territories by IP communities.</p> <p>Some NGOs in Kalimantan are doing advocacy work for indigenous peoples due to the fact there are so many cases where their rights are not recognized including within forest production areas. For example, NGOs Yayasan Pancur Kasih and Institut Dayakologi are offering support to the Dayak Tribe in Kalimantan, LBBT (Lembaga Bela Banua Talino). Also national NGOs including WALHI, AMAN, JKPP (Participation Mapping Network), Samdhana Institute and Epistema and Huma are policy and law watchdogs organizations linked to indigenous rights issues and communities.</p> <p>In one hand, all conservation and protection areas managed by the central government and local government are provided with management and control system as stipulated under several regulations: 1) the Act No. 5 year 1990 concerning nature Resource Conservation and its Ecosystem, 2) Peraturan Pemerintah Republik Indonesia Nomor 28 Tahun 2011 Tentang Pengelolaan Kawasan Suaka Alam Dan Kawasan Pelestarian Alam, 3) Peraturan Pemerintah Republik Indonesia Nomor 108 Tahun 2015 Tentang Perubahan Atas Peraturan Pemerintah Nomor 28 Tahun 2011 Tentang Pengelolaan Kawasan Suaka Alam Dan Kawasan Pelestarian Alam. And also, Undang-undang No. 39/2014, tentang perkebunan, Undang-undang No 5.1960, tentang UU Pokok Agraria, Undang-undang No. 27/2007, On the other hand, many of indigenous lands/territories are also claimed to be located inside the national parks which is by law it is illegal. As a result, IP living in conservation areas are under high threat as are their HCV 5 values.</p> <p>HCV 5 is identified in the area under assessment and sites and resources fundamental for satisfying the basic necessities of indigenous peoples are threatened by management activities (in the production forest) and by legal status (in conservation areas), thus this indicator is considered specified risk.</p>		
3.6 HCV 6	11,12	<p>Occurrence</p> <p>In the region of Kalimantan, the existence of indigenous people and their cultural values are demonstrated through the language, the history of the origin, traditional institutions, customary law, indigenous territories and sites of religious and historic objects. From the results of research conducted by the Institute Dayakologi, it was found that there are 151 subculture and language</p>	<p><u>Geographical scale:</u></p> <p>Region</p>	<p>Specified risk for Kalimantan.</p> <p>Threshold (30) is met: HCV 6 is identified and/or its</p>

	<p>Dayak in Kalimantan. Meanwhile Tjilik Riwut, the first Governor of Central Kalimantan Dayak in his book 'Building' indicates there are 405 living Dayak in Kalimantan (Borneo).</p> <p>Forest management practices of indigenous territories based on traditional wisdom and landscape form a communal management structure. Forest management practices are customary (landscape) such as those practiced by the Tana 'Ulen in Dayak Kenyah (North Borneo), peat swamp management 'the Handil system' (Central Kalimantan), etc. The Dayak Meratus also know the areas of sacred sites where the tombs of the Patriarchs lay and are prohibited from being damaged or disturbed and woody which is forest used as a field-forest, only used on a limited basis to make homes and customs hall, as well as to take medicinal plants. Until the end of 2015, 346 indigenous territories with an area of 4.2 million hectares of indigenous territories in Kalimantan map recorded in the Indigenous Territory of Registration Agency (BRWA). The indigenous territories registration data also contains the history of the origins of the community and their communal land, regulation and management of the territory and land use, as well as important places and biodiversity in indigenous territories that indicate the presence of HCV 6.</p> <p>Threats & Safeguards identification and evaluation</p> <p>See also indicators 1.13 – 1.15 and indicator 2.3 for more information on forest management risk related to traditional and indigenous peoples' rights.</p> <p>The existence of HPH (forest management concessions) and HTI (forest plantations) in Kalimantan has caused a lot of pressure and threats against HCV 6. This is demonstrated by the emergence of tenure conflicts between indigenous peoples residing in and around the area of forestry permits. Komnas HAM has published the findings and recommendations of the inquiry results of the National Commission on the Rights of Indigenous People on the Territory of the Forest Zone. In its report, the Commission found the form of action and resulting conditions violating human rights. To overcome these problems, recommendations made by the Commission include that Government and Parliament needs to establish and pass the bill Recognition and Protection of Indigenous People to resolve tenure conflicts in forest areas and review secara integrated permits in forest areas and the former forest areas that overlap with indigenous territories. For the time being because the bill PPHMHA not exist, the local government could make efforts to formulate regional policies related to the recognition and protection of indigenous peoples. Local governments also can use the Regulation No.52 / 2014 on Guidelines for the Recognition and Protection of Indigenous</p>	<p><u>Functional scale:</u></p> <p>Protection , production and conservation forests as well as private forest land/farm land</p>	<p>occurrence is likely in the area under assessment and it is threatened by management activities.</p>
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		<p>Peoples. Additionally, the Procedures Manual Inventory Recognition of Customary Law Community Presence, Local Karifan and Rights of Indigenous People associated with the Environmental Protection and Management, published by the Ministry of Environment could be used. BRWA has also devised Indigenous Territory of Registration Guidelines for registration and verification of customary areas that used to compile a map of the spatial and social existence of indigenous peoples and their cultures.</p> <p>HCV 6 is identified in the area under assessment and it is threatened by management activities thus this indicator is considered Specified risk.</p>		
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Recommended control measures

IMPT: For all below control measures please see the applicable HCV Category map to identify Specified risk areas.

Indicator	Recommended control measures
3.1 HCV 1	<p>Evidence of protection measures covering the following:</p> <ol style="list-style-type: none"> 1. Regular patrol – SOP is available 2. Good/Improved road infrastructure to provide easy access for regular patrol. 3. Strict guard system on all entry access for Illegal activities - SOP 4. Development of conservation areas in collaboration with local community (s) (including encouraging local community to establish their own conservation areas based on their needs). 5. Camera trapping for wildlife monitoring and periodic wildlife survey. 6. Installment of information board on conservation areas containing HCVs. 7. Supporting a conservation awareness program. 8. Hunting fishing and trapping restriction in the areas where HCV1s are present.
3.2 HCV 2	<p>Evidences of protection measures covering the following:</p>

	<ol style="list-style-type: none"> 1. Issuance of central and regional government policy and regulation (Act, Government Regulation, Ministry Decree and others) 2. Routine boundary patrol 3. Regular biodiversity monitoring and evaluation 4. Installment of information board 5. Restriction access to forest concession 6. Conservation campaign to local community and relevant stakeholders 7. Awareness program for local community 8. Hunting and fishing restriction in the areas where HCV2 presence 9. Development of collaborative management among stakeholders 10. Engagement in key conservation programs: <ul style="list-style-type: none"> The development of Heart of Borneo Program Orang Utan Conservation Program in Central Kalimantan Central Kalimantan Peat Land Project 13. Integrated Water Catchment Management in Central Kalimantan species in natural patterns of distribution and abundance.
3.3 HCV 3	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Issuance of central and regional government policy and regulation concerning ecosystem protection (Act no. 5 year 1990 (under revision), Government Regulation, Ministry Decree and others) 2. Routine boundary patrol 3. Regular biodiversity monitoring and evaluation 4. Installment of an information board on conservation areas containing HCVs. 5. Restriction access to forest concession with HCV3s 6. Conservation campaign for local community(s) and relevant stakeholders

	<ol style="list-style-type: none"> 7. An awareness program for local community(s) 8. Hunting and fishing restriction in the areas where HCV3 are present 9. Development of collaborative management among stakeholders 10. Engagement in key conservation programs: <ul style="list-style-type: none"> The development of Heart of Borneo Program Orang Utan Conservation Program in Central Kalimantan Central Kalimantan Peat Land Project
3.4 HCV 4	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Early Warning System in place to monitor fires 2. Enrichment planting and forest rehabilitation in the degraded forest and riparian zone (especially area located in steel slopes of >40%) 3. Installment of information board on conservation areas containing HCVs 4. Conservation campaign to local community(s) and relevant stakeholders 5. Awareness program for local community(s) 6. Regular patrol 7. Monitoring and evaluation
3.5 HCV 5	<p>Verifier:</p> <p>Some NGOs in Kalimantan are doing advocacy work for indigenous peoples including: as Yayasan Pancur Kasih, Institut Dayakologi and offer support to the Dayak Tribe in Kalimantan, LBBT (Lembaga Bela Banua Talino). National NGOs including WALHI, AMAN, JKPP (Partitipation Mapping network), Samdhana Institute, Epistema n Huma are acting as indigenous peoples' rights policy and law watchdogs.</p> <p>To get additional confirmation there is a concern with HCV 5 values connected to indigenous communities located in areas identified on the HCV 5 map for Kalimantan one could outreach to one or more of the above NGOs.</p> <p>Control measures which include evidence of:</p>

	<ul style="list-style-type: none"> Continued to support Customary communal rights through adhering to local and national regulations, as evidence through conservation HCV 5 set-aside areas Demonstrated local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). Demonstrated community development and livelihoods projects (e.g. employment and healthcare) support Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks) Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous forest cover which can limit the impact to the potential species or areas that important for local livelihoods) Infrastructure planning (e.g. improved road building) Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife) Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives) <p>References:</p> <ol style="list-style-type: none"> http://www.pancurkasih.org/index.php/tentang-kami/sejarah https://institutdayakologi.wordpress.com/ http://www.lbbt.or.id/
3.6 HCV 6	<p>Verifier:</p> <p>Some NGOs in Kalimantan doing advocacy work for indigenous peoples include: as Yayasan Pancur Kasih, Institut Dayakologi and offer support to the Dayak Tribe in Kalimantan, LBBT (Lembaga Bela Banua Talino). National NGOs including WALHI, AMAN, JKPP (Participation Mapping network), Samdhana Institute, Epistema n Huma are acting as indigenous peoples' rights policy and law watchdogs.</p> <p>To get additional confirmation there is a concern with HCV 6 values connected to indigenous communities located in areas identified on the HCV 6 map for Kalimantan one could outreach to one or more of the above NGOs.</p> <p>Control measures which include evidence of:</p> <ul style="list-style-type: none"> Continued to support Customary communal rights through adhering to local and national regulations, as evidence through conservation HCV 5 set-aside areas

	<ul style="list-style-type: none"> • Demonstrated local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). • Demonstrated community development and livelihoods projects (e.g. employment and healthcare) support • Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks) • Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous forest cover forestry which can limit the impact on potential species or areas that important for local people in terms of culture, historical, spiritual sites) • Infrastructure planning (e.g. improved road building) • Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife) • Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives)
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Information sources

No.	Source of information	Relevant HCV category and indicator
1	<ol style="list-style-type: none"> 1. IDEAS Consultancy Services (2012). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Korintiga Hutani, Lamandau dan Kota Waringin Barat, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2012. 2. IDEAS Consultancy Services (2010). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Rattah Timber, Kalimantan Timur. IDEAS Consultancy Services. Tahun 2010. 3. IDEAS Consultancy Services (2012a). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Indexim Utama, Barito Utara, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2012. 4. IDEAS Consultancy Services (2014). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Inhutani I UMH Meraang, Kabupaten Berau, Kalimantan Timur. IDEAS Consultancy Services. Tahun 2014. 	HCV 1 Occurrence

	<ol style="list-style-type: none"> 5. IDEAS Consultancy Services (2015). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Graha Sentosa Permai, Kabupaten Katingan, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2015 6. ERM (2012). Biodiversity Baseline Study in PT Daya Bumindo Karunia, Murung Raya District, Central Kalimantan. IDEAS Consultancy Services in collaboration with by PT Environmental Resource Management (ERM). 2012 7. IDEAS Consultancy Services (2014). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi (High Conservation Value Forest) PT Mayangkara Tanaman Industri Unit Jelai, Ketapang, Kalimantan Barat. IDEAS Consultancy Services. Tahun 2014 8. Tropical Forest Trust (TFT) & PT DJU (2010). Hutan Bernilai Konservasi Tinggi di Areal PT Dwima Jaya Utama, Kabupaten Katingan, Kalimantan Tengah. The Nature Conservancy (TNC), Tropical Forest Trust (TFT), and PT DJU. Funded by USAID and RAFT. 2010. 9. Hatfield (2015). Penilaian Untuk Identifikasi Kawasan dengan Nilai Konservasi Tinggi (NKT) pada Areal Konsesi IUPHHK-HTI PT Mawana Persada Kalimantan Barat, Indonesia. Bogor: PT Hatfield Indonesia. 10. Aksenta (2015). Ringkasan Publik Laporan Kajian HCV PT Harisa Agro Lestari Kabupaten Barito Utara Kalimantan Tengah, Indonesia. Jakarta: Aksenta Accentuate Life. 11. Yanuar, A. & Saleh, C. (2018). Report Of Preliminary Survey Of Bornean White-Bearded Gibbon Hylobates Albibarbis In Natural Forest Logging Conession Of PT Sari Bumi Kusuma-Nuak, Central Kalimantan. Available at: http://www.saribumikusuma.net/ 12. Hak Cipta (2012-2018). HCVF. High Conservation value Forest. Kawasan Konservasi Hutan Bernilai Tinggi. PT. Suka Jaya Makmus. Available at: http://pt-sjm.com/index.php/hcvf 13. PT Carus Indonesia (2018). Sustainable forest Managemnt – resume Rencana Kelola dan Monitoring HCVF. Available at: http://carusindo.com/resume-rencana-kelola-dan-monitoring-hcv/ 14. PT. Dwimajaya Utama. Provinsi Kalimantan tengah – BC. Tumbang Manggu. Available at: http://dwima.net/ 15. Kemakmuranberkah.co.id (2018). Hutan Bernilai Konsevasi Tinggi. Available at. http://kemakmuranberkah.co.id/index.php/unit-manajemen-hutan/hutan-bernilai-konservasi-tinggi 	
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2	<ol style="list-style-type: none"> 1. IDEAS Consultancy Services (2012). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Korintiga Hutani, Lamandau dan Kota Waringin Barat, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2012. 2. IDEAS Consultancy Services (2010). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Rattah Timber, Kalimantan Timur. IDEAS Consultancy Services. Tahun 2010. 3. IDEAS Consultancy Services (2012). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Indexim Utama, Barito Utara, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2012. 4. IDEAS Consultancy Services (2014). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Inhutani I UMH Meraang, Kabupaten Berau, Kalimantan Timur. IDEAS Consultancy Services. Tahun 2014. 5. IDEAS Consultancy Services (2015). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Graha Sentosa Permai, Kabupaten Katingan, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2015 6. EMR (2012). Biodiversity Baseline Study in PT Daya Bumindo Karunia, Murung Raya District, Central Kalimantan. IDEAS Consultancy Services in collaboration with by PT Environmental Resource Management (ERM). 2012 7. IDEAS Consultancy Services (2014). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi (High Conservation Value Forest) PT Mayangkara Tanaman Industri Unit Jelai, Ketapang, Kalimantan Barat. IDEAS Consultancy Services. Tahun 2014 8. TFT and PT DJU (2010). Hutan Bernilai Konservasi Tinggi di Areal PT Dwima Jaya Utama, Kabupaten Katingan, Kalimantan Tengah. The Nature Conservancy (TNC), Tropical Forest Trust (TFT), and PT DJU. Funded by USAID and RAFT. 2010. 9. Hatfield (2015). Penilaian Untuk Identifikasi Kawasan dengan Nilai Konservasi Tinggi (NKT) pada Areal Konsesi IUPHHK-HTI PT Mawana Persada Kalimantan Barat, Indonesia. Bogor: PT Hatfield Indonesia. 10. Aksenta (2015). Ringkasan Publik Laporan Kajian HCV PT Harisa Agro Lestari Kabupaten Barito Utara Kalimantan Tengah, Indonesia. Jakarta: Aksenta Accentuate Life. 11. Yanuar, A. & Saleh, C. (2018). Report Of Preliminary Survey Of Bornean White-Bearded Gibbon Hylobates Albibarbis In Natural Forest Logging Conession Of PT Sari Bumi Kusuma-Nuak, Central Kalimantan. Available at: http://www.saribumikusuma.net/ 	HCV 1 Threats
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	<p>12. Hak Cipta (2012-2018). HCVF. High Conservation value Forest. Kawasan Konservasi Hutan Bernilai Tinggi. PT. Suka Jaya Makmus. Available at: http://pt-sjm.com/index.php/hcvf</p> <p>13. PT Carus Indonesia (2018). Sustainable forest Managemnt – resume Rencana Kelola dan Monitoring HCVF. Available at: http://carusindo.com/resume-rencana-kelola-dan-monitoring-hcv/</p> <p>14. PT. Dwimajaya Utama. Provinsi Kalimantan tengah – BC. Tumbang Manggu. Available at: http://dwima.net/</p> <p>15. Kemakmuranberkah.co.id (2018). Hutan Bernilai Konsevasi Tinggi. Available at. http://kemakmuranberkah.co.id/index.php/unit-manajemen-hutan/hutan-bernilai-konservasi-tinggi</p>	
3	<p>1. Hatfield (2015). Penilaian Untuk identifikasi Kawasan dengan Nilai Konservasi Tinggi (nkt) pada Areal Konsesi IUPHHK-HTI PT. MAYAWANA PERSADA Kalimantan Barat, Indonesia.</p> <p>2. IDEAS (2012). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT. KORINTIGA HUTANI LAMANDAU & Kotawaringin Barat, Kalteng</p> <p>3. IDEAS. Draft Laporan Identifikasi HCV PT. GSP</p> <p>4. Summary Report of SEIA and HCV Assessment PT. MITRAKARYA AGROINDO SERUYAN TENGAH and Hanau Sub-Districts, Seruyan District, Central Kalimantan Province. Available at: https://www.rspo.org/file/4C(r)%20-%20Summary%20Report%20of%20SEIA%20and%20HCV%20Assessments%20PT%20Mitrakarya%20Agroindo.pdf</p> <p>5. Sari Bumi Kusuma (2012-2018). Ringkasan rencana pengelolaan HCVFIUPHHK-HA PT. SARI BUMI KUSUMA Kalimantan Tengah. Available at: http://www.saribumikusuma.net/index.php?option=com_content&view=article&id=77:hcvf</p> <p>6. PT. SUKA JAYA MAKMUR, Kalimantan Barat</p> <p>7. PT. Carus Indonesia (2018). Resume Rencana Kelola Dan Monitoring HCVF PT. CARUS INDONESIA. Available at: http://carusindo.com/resume-rencana-kelola-dan-monitoring-hcv/</p> <p>8. Ringkasan Rencana Pengelolaan HCVF IUPHHK-HA PT. DWIMAJAYA UTAMA Kalimantan Tengah. Executive Summary Hutan Bernilai Konservasi Tinggi Di PT. KEMAKMURAN BERKAH TIMBER. Available at. http://kemakmuranberkah.co.id/index.php/unit-manajemen-hutan?start=10</p>	HCV 2 Occurrence

	<p>9. Hatfield (2015). Penilaian Untuk Identifikasi Kawasan dengan Nilai Konservasi Tinggi (NKT) pada Areal Konsesi IUPHHK-HTI PT Mawana Persada Kalimantan Barat, Indonesia. Bogor: PT Hatfield Indonesia.</p> <p>10. Aksenta (2015). Ringkasan Publik Laporan Kajian HCV PT Harisa Agro Lestari Kabupaten Barito Utara Kalimantan Tengah, Indonesia. Jakarta: Aksenta Accentuate Life.</p> <p>11. Yanuar, A. & Saleh, C. (2018). Report Of Preliminary Survey Of Bornean White-Bearded Gibbon Hylobates Albibarbis In Natural Forest Logging Conession Of PT Sari Bumi Kusuma-Nuak, Central Kalimantan. Available at: http://www.saribumikusuma.net/</p> <p>12. Hak Cipta (2012-2018). HCVF. High Conservation value Forest. Kawasan Konservasi Hutan Bernilai Tinggi. PT. Suka Jaya Makmus. Available at: http://pt-sjm.com/index.php/hcvf</p> <p>13. PT. Dwimajaya Utama. Provinsi Kalimantan tengah – BC. Tumbang Manggu. Available at: http://dwima.net/</p>	
4	<p>1. IDEAS Consultancy Services (2012). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Korintiga Hutani, Lamandau dan Kota Waringin Barat, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2012.</p> <p>2. IDEAS Consultancy Services (2010). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Rattah Timber, Kalimantan Timur. IDEAS Consultancy Services. Tahun 2010.</p> <p>3. IDEAS Consultancy Services (2012).Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Indexim Utama, Barito Utara, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2012.</p> <p>4. IDEAS Consultancy Services (2014).Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Inhutani I UMH Meraang, Kabupaten Berau, Kalimantan Timur. IDEAS Consultancy Services. Tahun 2014.</p> <p>5. IDEAS Consultancy Services (2015). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi PT Graha Sentosa Permai, Kabupaten Katingan, Kalimantan Tengah. IDEAS Consultancy Services. Tahun 2015</p> <p>6. ERM (2012). Biodiversity Baseline Study in PT Daya Bumindo Karunia, Murung Raya District, Central Kalimantan. IDEAS Consultancy Services in collaboration with by PT Environmental Resource Management (ERM). 2012</p> <p>7. IDEAS Consultancy Services (2014). Laporan Identifikasi Kawasan Hutan Bernilai Konservasi Tinggi (High Conservation Value Forest) PT Mayangkara Tanaman Industri Unit Jelai, Ketapang, Kalimantan Barat. IDEAS Consultancy Services. Tahun 2014</p>	HCV 2 Threats

	<ol style="list-style-type: none"> 8. TFT and PT DJU (2010). Hutan Bernilai Konservasi Tinggi di Areal PT Dwima Jaya Utama, Kabupaten Katingan, Kalimantan Tengah. The Nature Conservancy (TNC), Tropical Forest Trust (TFT), and PT DJU. Funded by USAID and RAFT. 2010. 9. Badan Pusat Statistik Indonesia (2015). Direktori Perusahaan Kehutanan 2015. 98 Halaman. 10. Prihatna, D. (2009). Kajian Ekosistem Raperpress RTR Kalimantan. 11. Hatfield (2015). Penilaian Untuk Identifikasi Kawasan dengan Nilai Konservasi Tinggi (NKT) pada Areal Konsesi IUPHHK-HTI PT Mawana Persada Kalimantan Barat, Indonesia. Bogor: PT Hatfield Indonesia. 12. Aksenta (2015). Ringkasan Publik Laporan Kajian HCV PT Harisa Agro Lestari Kabupaten Barito Utara Kalimantan Tengah, Indonesia. Jakarta: Aksenta Accentuate Life. 13. Yanuar, A. & Saleh, C. (2018). Report Of Preliminary Survey Of Bornean White-Bearded Gibbon Hylobates Albibarbis In Natural Forest Logging Conession Of PT Sari Bumi Kusuma-Nuak, Central Kalimantan. Available at: http://www.saribumikusuma.net/ 14. Hak Cipta (2012-2018). HCVF. High Conservation value Forest. Kawasan Konservasi Hutan Bernilai Tinggi. PT. Suka Jaya Makmus. Available at: http://pt-sjm.com/index.php/hcvf 15. PT Carus Indonesia (2018). Sustainable forest Managemnt – resume Rencana Kelola dan Monitoring HCVF. Available at: http://carusindo.com/resume-rencana-kelola-dan-monitoring-hcv/ 16. PT. Dwimajaya Utama. Provinsi Kalimantan tengah – BC. Tumbang Manggu. Available at: http://dwima.net / 17. Kemakmuranberkah.co.id (2018). Hutan Bernilai Konsevasi Tinggi. Available at. http://kemakmuranberkah.co.id/index.php/unit-manajemen-hutan/hutan-bernilai-konservasi-tinggi 	
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	4. Undang Undang no.26 tahun 2007 tentang Rencana Tata Guna Ruang.	
6	<ol style="list-style-type: none"> 1. Ecosystem area of Mueller-Swachner. Heart of Borneo Initiatif. WWF Indonesia/Didik Suharjanto. (Fact Sheet Information) 2. Tacconi, L. (2013). Illegal Logging: Law Enforcement, Livelihoods and the Timber Trade. CIFOR. 3. Hoare A and Wellesley, L. (2014). Illegal Logging and Related Trade: The Respon di Indonesia. Research Paper. Energy, Environment and Resources. October 2014. A Chatam House Assessment. 4. Undang-undang Nomor 5 Tahun 1967 tentang Ketentuan-ketentuan Pokok Kehutanan (Lembaran Negara Tahun 1967 Nomor 8, Tambahan Lembaran Negara Nomor 2823); 5. Undang-undang Nomor 1 Tahun 1973 tentang Landas Kontinen Indonesia (Lembaran Negara Tahun 1973 Nomor 1, Tambahan Lembaran Negara Nomor 2924), jo Pengumuman Pemerintah Republik Indonesia tentang Landas Kontinen Indonesia tanggal 17 Pebruari 1969; 6. Undang-undang Nomor 4 Tahun 1982 tentang Ketentuan-ketentuan Pokok Pengelolaan Lingkugan Hidup (Lembaran Negara Tahun 1982 Nomor 12, Tambahan Lembaran Negara Nomor 3215); 7. Undang-undang Nomor 5 Tahun 1983 tentang Zona Ekonomi Ekskusif Indonesia (Lembaran Negara Tahun 1983 Nomor 44, Tambahan Lembaran Negara Nomor 3260); 8. Undang-undang Nomor 5 Tahun 1990 tentang Konservasi Sumber Daya Alam Hayati dan Ekosistemnya (Lembaran Negara Tahun 1990 Nomor 49, Tambahan Lembaran Negara Nomor 3419); 9. Undang-undang Nomor 24 Tahun 1992 tentang Penataan Ruang (Lembaran Negara Tahun 1992 Nomor 115, Tambahan Lembaran Negara Nomor 3501); 10. Keputusan Presiden Nomor 43 Tahun 1978 tentang Pengesahan Convention on International Trade in Endangered Species of Wild Flora and Fauna (Lembaran Negara Tahun 1978 Nomor 51); 11. Keputusan Presiden Nomor 26 Tahun 1989 tentang Pengesahan Convention Concerning the Protection of the World Cultural and Natura Heritage (Lembaran Negara Tahun 1989 Nomor 17); 	HCV 3 Threats

	<p>12. Keputusan Presiden Nomor 48 Tahun 1991 tentang Pengesahan Convention on Wetlands of International Importance Especially as Waterfowl Habitat (Lembaran Negara Tahun 1991 Nomor 73);</p> <p>13. Act No. 21 year 2004 concerning Cartagena Protocol on CBD</p> <p>14. UU No 5 th 1994 UN CBD Ratification</p> <p>15. Government Regulation No. 21 year 2005 on Genetic Resource Biosafety</p> <p>16. Government Regulation no 15 year 2012 on Forest Ecosystem Valuation Guide</p> <p>17. Government Regulation No 29 year 2009 on Regional Biodiversity Conservation Guide.</p>	
7	<p>1. Government Decree No. 38 of 2011 concerning Rivers</p> <p>2. Government Decree No. 28 of 2011 concerning Sanctuary Reserves and Nature Conservation areas</p> <p>3. Decree of Minister of Public Works and Housing No. 28/PRT/M/2015</p> <p>4. Decision Letter of Minister of Agriculture No. 837/KPTS/UM/11/80</p> <p>5. IDEAS Consultancy Services (2012). High Conservation Value Forest Identification Report in PT Korintiga Hutani, Lamandau and West Kotawaringin Districts, Central Kalimantan. IDEAS Consultancy Services. 2012.</p> <p>6. IDEAS Consultancy Services (2010). High Conservation Value Forest Identification Report in PT Rattah Timber, East Kalimantan. IDEAS Consultancy Services. 2010.</p> <p>7. IDEAS Consultancy Services (2012). High Conservation Value Forest Identification Report in PT Indexim Utama, North Barito District, Central Kalimantan. IDEAS Consultancy Services. 2012.</p> <p>8. IDEAS Consultancy Services (2014). High Conservation Value Forest Identification Report in PT Inhutani I Meraang Forest Management Unit, Berau District, East Kalimantan. IDEAS Consultancy Services. 2014.</p> <p>9. IDEAS Consultancy Services (2015). High Conservation Value Forest Identification Report in PT Graha Sentosa Permai, Katingan District, Central Kalimantan. IDEAS Consultancy Services. 2015.</p> <p>10. PT Meganesia Tirta Foresta (2016). High Conservation Value Forest Identification Report in PT SLJ, Berau District, East Kalimantan.</p>	HCV 4 Occurrence

8	<ol style="list-style-type: none"> 1. Government Decree No. 38 of 2011 concerning Rivers 2. Government Decree No. 28 of 2011 concerning Sanctuary Reserves and Nature Conservation areas 3. Decree of Minister of Public Works and Housing No. 28/PRT/M/2015 4. Decision Letter of Minister of Agriculture No. 837/KPTS/UM/11/80 5. IDEAS Consultancy Services (2012). High Conservation Value Forest Identification Report in PT Korintiga Hutani, Lamandau and West Kotawaringin Districts, Central Kalimantan. IDEAS Consultancy Services. 2012. 6. IDEAS Consultancy Services (2010). High Conservation Value Forest Identification Report in PT Rattah Timber, East Kalimantan. IDEAS Consultancy Services. 2010. 7. IDEAS Consultancy Services. (2012) High Conservation Value Forest Identification Report in PT Indexim Utama, North Barito District, Central Kalimantan. IDEAS Consultancy Services. 2012. 8. IDEAS Consultancy Services (2014). High Conservation Value Forest Identification Report in PT Inhutani I Meraang Forest Management Unit, Berau District, East Kalimantan. IDEAS Consultancy Services. 2014. 9. IDEAS Consultancy Services (2015). High Conservation Value Forest Identification Report in PT Graha Sentosa Permai, Katingan District, Central Kalimantan. IDEAS Consultancy Services. 2015. 10. PT Meganesia Tirta Foresta (2016). High Conservation Value Forest Identification Report in PT SLJ, Berau District, East Kalimantan. 11. WWF (2017). Water. Available at. http://wwf.panda.org/what_we_do/where_we_work/borneo_forests/borneo_deforestation/#water 	HCV4 Threats
9	<ol style="list-style-type: none"> 1. ICCAs (2016d). Melindungi Danau Lindung (Pp.51-60). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 2. ICCAs (2016e). Di Meratus, Kami Tahu Menjaga Hutan (Pp.93-102). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 	HCV 5 Occurrence

	<ol style="list-style-type: none"> 3. ICCAs (2016). Hai, Kami Menjaga Danau Hai (Pp.109-114). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 4. ICCAs (2016a). Desa Penuh Suka Cita Bernama Barunang (Pp.121-126). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 5. ICCAs (2016b). Setelah Hutan Ditebang dan Gambut Dirusak (Pp.127-136). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 6. ICCAs (2016c). Inilah Tana’ Ulen Masyarakat Adat Dayak Kenyah (Pp.137-142). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 7. Study on Social Impacts of Oil Palm Plantation Development in Central and West Kalimantan Provinces. Faculty of Agriculture of Tanjungpura University and Faculty of Agriculture of Palangkaraya University, 28 June 2011. 8. HCV 5 and 6 and NTFP Assessment in Buntoi, Mantaren I, Kalawa and Gohong Village Forests in Kahayan Hilir Sub-district, Pulang Pisau District, Central Kalimantan Province (Pokker SHK Central Kalimantan) 9. HCV Assessement – PT GHL 10. HCVF – PT Roda Mas Timber Unit 2 11. IFACS (2014). North Kayong District, West Kalimantan Province Natural Landscape Conservation Plan (IFACS, September 2014) 12. IFACS (2014). Pulang Pisau District, Central Kalimantan Province Natural Landscape Conservation Plan (IFACS, September 2014) 13. PT Indexim Utama HCV Assessment 14. PT Graha Sentosa Permai HCV Assessment 15. PT SJM HCV 5 Assessment, West Kalimantan 16. BRWA (N.Y). Map; Customary Territory Registration Body: Mukim Sarah Raya customary territory (www.brwa.or.id/sig/) 	
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10	<ol style="list-style-type: none"> 1. Peraturan Menteri Lingkungan Hidup Dan Kehutanan Republik Indonesia. Nomer: P.32/Menlhk-Setjen/2015. Tentang. Hutan Hak. Available at. http://ditjenpskl.blogspot.co.id/2015/08/peraturan-menteri-no32-th2015.html 2. Sofwan, R. (2015). Kementerian LHK Akui Kawasan Adat sebagai Hutan Kak. CNN Indonesia. 14/08/2015. Available at: http://www.cnnindonesia.com/nasional/20150814161648-12-72242/kementerian-lhk-akui-kawasan-adat-sebagai-hutan-hak/ 3. ICCAs (2016d). Melindungi Danau Lindung (Pp.51-60). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 4. ICCAs (2016e). Di Meratus, Kami Tahu Menjaga Hutan (Pp.93-102). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 5. ICCAs (2016). Hai, Kami Menjaga Danau Hai (Pp.109-114). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 6. ICCAs (2016a). Desa Penuh Suka Cita Bernama Barunang (Pp.121-126). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 7. ICCAs (2016b). Setelah Hutan Ditebang dan Gambut Dirusak (Pp.127-136). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 8. ICCAs (2016c). Inilah Tana' Ulen Masyarakat Adat Dayak Kenyah (Pp.137-142). Compilation of stories. "Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup" (Working Group ICCAs Indonesia, Feb. 2016) 	HCV 5 Threats

	<p>9. Penelitian Tentang Dampak Sosial Pembangunan Perkebunan Kelapa Sawit Di Provinsi Kalimantan Tengah dan Kalimantan Barat. (Fakultas Pertanian-Universitas Tanjungpura, Fakultas Pertanian-Universitas Palangkaraya, 28 Juni 2011)</p> <p>10. Pokker SHK-Kalimantan Tengah (N.Y.). Kajian Potensi NKT 5 dan 6, sereta HHBK di Hutan Desa Buntoi, Mantaren I, Kalawa dan Gohong Kecamatan Kahayan Hilir Kabupaten Pulang Pisau Provinsi Kalimantan Tengah (Pokker SHK-Kalimantan Tengah)</p> <p>11. HCV Assesement – PT.GHL</p> <p>12. HCVF – PT Roda Mas Timber Unit 2</p> <p>13. IFACS (2014). Rencan Konservasi Bentang Alam Kabupaten Kayong Utara Provinsi Kalimantan Barat(IFACS, September 2014)</p> <p>14. IFACS (2014). Rencan Konservasi Bentang Alam Kabupaten Pulang Pisau Provinsi Kalimantan Tengah(IFACS, September 2014)</p> <p>15. Nilai Konservasi Tinggi (NKT) – PT. Indexim Utama</p> <p>16. Nilai Konsevasi Tinggi (NKT) – PT. Graha Sentosa Permai</p> <p>17. NKT 5 PT.SJM - Kalbar</p> <p>18. BRWA (N.Y). Map; Customary Territory Registration Body: Mukim Sarah Raya customary territory (www.brwa.or.id/sig/)</p> <p>19. Uluk, A.; Sudana, M.; Wollenberg, E. (2001). Ketergantungan masyarakat Dayak terhadap hutan di sekitar Taman Nasional Kayan Mentarang, <u>Uluk, A.; Sudana, M.; Wollenberg, E.</u>, CIFOR, 2001</p> <p>20. Yulien Vinanda, M. (2009). Konsep Tana'Ulen=Bukti Nyata Masyarakat Dayak Melek Konservasi. WWF. Available at: http://www.wwf.or.id/?7281/Konsep-Tana-UlenBukti-Nyata-Masyarakat-Dayak-Melek-Konservasi</p>	
11	<p>1. ICCAs (2016d). Melindungi Danau Lindung (Pp.51-60). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016)</p>	HCV 6 Occurrence

	<ol style="list-style-type: none"> 2. ICCAs (2016e). Di Meratus, Kami Tahu Menjaga Hutan (Pp.93-102). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 3. ICCAs (2016). Hai, Kami Menjaga Danau Hai (Pp.109-114). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 4. ICCAs (2016a). Desa Penuh Suka Cita Bernama Barunang (Pp.121-126). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 5. ICCAs (2016b). Setelah Hutan Ditebang dan Gambut Dirusak (Pp.127-136). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 6. ICCAs (2016c). Inilah Tana’ Ulen Masyarakat Adat Dayak Kenyah (Pp.137-142). Compilation of stories. “Jalan Panjang Masyarakat Untuk Konservasi dan Ruang Hidup” (Working Group ICCAs Indonesia, Feb. 2016) 7. Penelitian Tentang Dampak Sosial Pembangunan Perkebunan Kelapa Sawit Di Provinsi Kalimantan Tengah dan Kalimantan Barat. (Fakultas Pertanian-Universitas Tanjungpura, Fakultas Pertanian-Universitas Palangkaraya, 28 Juni 2011) 8. Pokker SHK-Kalimantan Tengah (N.Y.). Kajian Potensi NKT 5 dan 6, sereta HHBK di Hutan Desa Buntoi, Mantaren I, Kalawa dan Gohong Kecamatan Kahayan Hilir Kabupaten Pulang Pisau Provinsi Kalimantan Tengah (Pokker SHK-Kalimantan Tengah) 9. HCV Assesement – PT.GHL 10. HCVF – PT Roda Mas Timber Unit 2 11. Rencan Konservasi Bentang Alam Kabupaten Kayong Utara Provinsi Kalimantan Barat(IFACS, September 2014) 12. Rencan Konservasi Bentang Alam Kabupaten Pulang Pisau Provinsi Kalimantan Tengah(IFACS, September 2014) 13. Nilai Konservasi Tinggi (NKT) – PT. Indexim Utama 14. Nilai Konsevasi Tinggi (NKT) – PT. Graha Sentosa Permai 15. NKT 6 PT.SJM - Kalbar 	
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12	<p>1. Komnasham.go.id (N.Y). Available at: http://www.komnasham.go.id/sites/default/files/dokumen/KomnasHAM%20-%20TemuanRekomendasi%20Inkuiri%20Nasional%20MHA%208Agt2015.pdf</p> <p>2. Dingit, L. (N.Y). Konflik Masyarakat Adat Dayak Dentian, Kalimantan Timur Dengan. Saksi Dari Masyaraat Adat Dayat Bentian, Kalimantan Timur. Available at: http://www.aman.or.id/wp-content/uploads/2014/05/Dokumen-Saksi-Masyarakat-Adat-Dayak-Bentian-Lirin-Dingit-untuk-Presentasi-di-MK-1.pdf</p> <p>3. Haboddin, M. (N.Y). Masyarakat Adat Melawan Perusahaan: Kasus Di Kalimantan Barat. Staf Pengajar Program Studi Ilmu Pemerintahan Universitas Brawijaya Malang. Available at: http://download.portalgaruda.org/article.php?article=19717&val=1237</p> <p>4. BRWA (N.Y). Rujukan. Available at: http://brwa.or.id/rujukan/</p>	HCV 6 Threats

Area under Assessment: Sulawesi				
Indicator	Sources of Information	HCV occurrence and threat assessment	Functional scale	Risk designation and determination
3.1 HCV 1	1,2	<p>Occurrence</p> <p>Sulawesi has nine national parks and 21 nature reserves that are spread over 6 provinces: West Sulawesi (Mamuju) North Sulawesi (Manado) Central Sulawesi (Palu) South Sulawesi (Makassar) South East Sulawesi (Kendari) Gorontalo (Gorontalo). There are no national parks in West Sulawesi. These forests are home to high number of endemic species including a high variety of natural habitat used temporarily and seasonally by some migratory species such as some bird species. Most of the national parks also cover marine park areas to protect its rich aquatic diversity and coral reefs.</p> <p>Sulawesi is home to endemic species such as black macaque (<i>Macaca nigra</i>) and small monkey (<i>Tarsius tarsier</i>). Sulawesi is hosts endemic birds such aspelatuk sulawesi (<i>Mulleripicus fulvus</i>), elang sulawesi (<i>Spilornis rufipectus</i>), kadal sulawesi (<i>Phaenicophaeus calyborhynchus</i>), cui-cui (<i>Tahuraeptes malacensis celebensis</i>), malia Sulawesi (<i>Malia grata</i>),bubut sulawesi (<i>Centropus celebensis celebensis</i>), walet manado (<i>Collocalia esculenta manadensis</i>), tuwur sulawesi (<i>Eudynamys melanorhynchus</i>), layang-layang batu (<i>Hirundo tahitica</i>), cirikungu (<i>Meropogon forsteni</i>), kipasan sulawesi(<i>Rhipidura teysmanii coomansii</i>), kareo sulawesi (<i>Amauornis isabellina</i>), and pelanduk sulawesi (<i>Trichastoma celebenses</i>). Most of forest areas in the Sulawesi eco-region are a part of the Wallace line²¹ west and east divide and thus, have a very important role in supporting the richness of biodiversity in this region.</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p>	<p>Specified risk for Sulawesi.</p> <p>Threshold (8) is met: HCV 1 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

²¹ The **Wallace Line** or **Wallace's Line** is a [faunal](#) boundary line drawn in 1859 by the British naturalist [Alfred Russel Wallace](#) that separates the [ecozones](#) of [Asia](#) and [Wallacea](#), a transitional zone between Asia and [Australia](#). West of the line are found organisms related to Asiatic species; to the east, a mixture of species of Asian and Australian origin is present. Wallace noticed this clear division during his travels through the [East Indies](#) in the 19th century. The

		<p>A number of local species were declared by the government as having conservation priority 2008 – 2018 such as musang sulawesi (<i>Macrogalidia muschenbroekii</i>) , kura-kura sulawesi (<i>Leucocephalon yuwonoi</i>) , kangkareng sulawesi (<i>Penelopides exarhatus</i>), kupu-kupu sulawesi (<i>Idea tambusisiana</i>) , and endemic timber species such as kayu hitam (<i>Diospyros celebica</i>) (Mardiastuti et al. 2008).</p> <p>More than 60% of mammals and one third of birds in Sulawesi are endemic and in Lore Lindu National Park, for example, 77 species of birds cannot be found in any other part of the world.</p> <p>Based on some HCVF assessment from FSC public summary reports and the identification of HCV1 toolkit guidance plus using the precautionary approach in non-certified areas in Sulawesi, HCV1 areas covers an approximate area of: primary forest of 3,890,397 ha, secondary forest of 5,525,126 ha, plantation forest of 1,163 ha and non-forest areas of 1,240,307 ha. See Annex 4 for mapped HCV 1 areas in Sulawesi.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Indonesia has ratified CBD through Act No. 5 year 1994 and thus Indonesia has mandated to protect and maintain its biodiversity, including prevention from forest fragmentation and avoid introduction of invasive alien species (IAS) (CBD Article 8h). Almost all forest areas in Sulawesi, especially those that lay adjacent to conservation areas are considered as HCV1 and they are potentially threatened by not only by forestry operations but also by other non-forest activities. These activities including forest management have a high potential for habitat removal and to an extent, habitat fragmentation.</p> <p>There are also some abandoned forest areas, left open by previous activities including recent timber harvesting (legal and illegal), are prone to infestation of invasive plant species such as the spread of <i>Acacia nilotica</i> in Tadulako, <i>Chromolaena odorata</i> infestation in almost in all agriculture and timber plantations, <i>Echornia crassipes</i> in most of water bodies (i.e. Limboto lakes in Gorontalo). These invasive plant species are commonly found in the open areas and their presence inhibits the growth</p>	Primary forest, secondary forest, plantations and non-forest areas.	
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line runs through [Indonesia](https://en.wikipedia.org/wiki/Wallace_Line), between [Borneo](https://en.wikipedia.org/wiki/Wallace_Line) and [Sulawesi](https://en.wikipedia.org/wiki/Wallace_Line) (Celebes), and through the [Lombok Strait](https://en.wikipedia.org/wiki/Wallace_Line) between [Bali](https://en.wikipedia.org/wiki/Wallace_Line) and [Lombok](https://en.wikipedia.org/wiki/Wallace_Line).
https://en.wikipedia.org/wiki/Wallace_Line

		<p>of local/native plant species. Policy and regulation on invasive alien species management remain lacking while most fragmented forest areas are now occupied by invasive alien species. Issue of invasive alien species has recently been a serious issue in Indonesian forest. Protection programs and forest safeguards in conservation areas and production forests have included to address threats from habitat removal and fragmentation but not yet for invasive alien species.</p> <p>Threats caused by forest management activities including habitat removal, fragmentation and encroachment of invasive species can be effectively managed using best practices such as the implementation of reduced impact logging for harvesting operation either small or large scale companies that may reduce negative impact to the environment. Unlike in Sumatra and Kalimantan, HCVs information on Sulawesi island has not yet been well documented and HCV1 locations are not easily identified on the ground.</p> <p>A number of endemic species from North Sulawesi, Gorontalo up to Central Sulawesi such as lowland Anoa (<i>Bubalus depressicornis</i>), kakatua putih (<i>Cacatua alba</i>), babirusa (<i>Babyrousa babirussa</i>) has been threatened by illegal hunting and considered endangered species under IUCN conservation status.</p> <p>In Sulawesi, illegal logging is the main threat to habitat and forest biodiversity loss (also see outcomes for Category 1). This threat is also acknowledged by the recent report from the Indonesia government in the 5th National Report of Indonesia to the Convention on Biological Diversity. Indonesia has now developing new Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2015-2020. The implementation of IBSAP in 2012 showed that the government has faced with a number of challenges such as (i) lack of understanding of the function of biodiversity in the area; (ii) Biodiversity issues have not become major issues; (iii) lack of political support; (iv) lack of adequate human resources with knowledge of issues on Biological Diversity; (v) lack of synergy of the Biodiversity programs; (vi) lack of dissemination of the Biodiversity management policy; (vii) the absence of monitoring institutions and evaluation in the area; (viii) lack of stakeholders involvement in the area. Until presently, IBSAP implementation has been so far considered as voluntary while lacking of monitoring and coordination among relevant sectors.</p> <p>In addition, there is no specific institution to coordinate IBSAP implementation. Yet, some increases are seen in a number of areas such as in conservation and the sustainable use of biodiversity, an increasing number of protected areas, an increasing number of flora and fauna pursued in ex-situ</p>		
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		<p>conservation, as well as ecosystems rehabilitation efforts (mangrove forests and coral reefs). Furthermore, there is community involvement in managing biodiversity, development of sustainable consumption, increase of capacity building and rehabilitation in an effort to deal with habitat loss and biodiversity degradation. But these are all need to be verified on ground since there are also many reports in local newspapers and magazines concerning massive forest encroachment and illegal logging even in protected areas. Articles and report also noted lack of coordination among stakeholders in developing safeguards to conserve its local rich biodiversity.</p> <p>Furthermore, according to Corruption Perception Index in 2015, Indonesia scored 36 out of 100 (with 100 indicating very low corruption) and ranked 88/168 countries in the world for corruption tendencies.</p> <p>HCV 1 is identified in the area under assessment and it is threatened by management activities via habitat fragmentation/removal, invasive species encroachment and illegal logging, thus this indicator is considered Specified risk.</p>		
3.2 HCV 2	3,4	<p>Occurrence</p> <p>Based on the precautionary approach, HCVF assessments from FSC public summary reports based in Sulawesi and forest coverage also delineation based on the HCVF Toolkits' guidance the total size for HCV 2 are as follows (based on forest types): 1) primary forest = 3,882,213 ha, 2) secondary forest = 5,513,822 ha, 3) plantation forest = 425 ha, and 4) non-forest = 339.897 ha.</p> <p>There are no available reports on the HCV2 specific attributes that naturally cross regional boundaries. See Annex 4 for HCV2 mapped areas in Sulawesi.</p> <p>The delineation of HCV2 has also considered the global IFL maps developed by Greenpeace and Global Forest Watch (2014). According to these maps there are IFLs in each of the provinces except South Sulawesi. Note: there is no FSC risk designation available for parts located outside of national boundaries.</p> <p>Secondary forests that are mainly managed by large scale forest concessionaires have the highest HCV2 coverage (see Annex 4 HCV 2 map).</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest</p>	<p>Specified risk for Sulawesi.</p> <p>Threshold (12) is met: HCV2 is identified and/or its occurrence is likely in the area under assessment, and it is threatened by management activities.</p>

		<p>Lore Lindu national parks located in Central Sulawesi harbor a unique ecosystem and has been declared as biosphere reserve under UNESCO. This forest area also contain large patches of peat swamp forest which has recently been under threat by a number of human activities including logging and nickel mining.</p> <p>Threats & Safeguards identification and evaluation</p> <p>In Sulawesi, commercial timber is currently extracted mainly from natural primary and secondary forests and unlike Sumatra and Kalimantan, and only few number of production forest operate in Sulawesi. Based on the recent report from Statistic Center Agency (<i>Badan Pusat Statistik</i>) year 2015, there are 19 timber concessions (HPH) and 1 plantation/timber estate in located Sulawesi (5 %). The total number of active HPH in Indonesia is 276 and forest plantation is 258. Based on the overlay of HCV2 and IFL, the concentration of the HCV2 attributes is situated in the center of the mainland. Common threats to HCV2 are forest encroachment by illegal logging, nickel mining (42% of mining concession located in primary forest), oil palm plantation and forest conversion for farm land (cloves and cacao).</p> <p>HCV 2 is identified in the area under assessment and it is threatened by management activities through habitat removal and fragmentation and illegal logging thus this indicator is considered Specified risk.</p>	land/farm land. Primary forest, secondary forest, plantations and non-forest areas.	
3.3 HCV 3	5,6	<p>Occurrence</p> <p>Using the precautionary approach and based on few number of HCVF assessments drawn from FSC forest management public reports in Sulawesi and HCVF Toolkits' guidance, the total size for HCV 3 are estimated as follows (based on forest types): 1) primary forest = 2,956,390 ha, 2) secondary forest = 3,700,102 ha, 3) plantation forest = 3,230 ha, and 4) non-forest = 3,934ha. See Annex 4 for HCV 3 mapped areas in Sulawesi.</p> <p>A relatively large proportion of HCV3 attributes occur in 'non-forest' areas (see Annex 4) in which data from non-forest areas was drawn from a HCVF study done for oil palm plantations.</p> <p>Production forests still hold relatively large areas of HCV3s hosting various unique ecosystems. These unique ecosystems have been particularly threatened through a rapid conversion due to oil</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests</p>	<p>Specified risk for Sulawesi.</p> <p>The following risk thresholds are met:</p> <p>(17) HCV3 is identified and/or its occurrence is likely in the area under assessment and it</p>

		<p>palm expansion during the last decades which have compounded the overall threat to their conservation status by forest management activities.</p> <p>Sulawesi island contains nine national parks and 21 nature reserves distributes in 5 provinces: North Sulawesi, Gorontalo, Central Sulawesi Tengah, Southeast Sulawesi, and South Sulawesi. West Sulawesi does not have any nature reserves. Most of the national parks cover marine parks with its rich aquatic diversity and coral reefs.</p> <p>Sulawesi comprises of 14 different forest ecosystems and it has a unique combination of flora and fauna from Asia and Australia.</p> <p>Threats & Safeguards identification and evaluation</p> <p>HCV 3 forest ecosystems in North Sulawesi, Gorontalo up to Central Sulawesi have been affected by forest degradation and almost 80% of its forest is now barren land. In Central Sulawesi, the annual forest loss has approached 16,740 ha and this is mainly due to the fact that only 20% of production forest are located on barren lands, and 45% occur in primary forest.</p> <p>A total of 1.5 million ha is allocated for mining concessions, and 42% of these are located within primary forests and more than 500,000 primary forests have been converted into timber plantation (See Category 4 for more details on conversion threats). HCV 3 peat swamps and mangrove ecosystems have already had the greatest impacts from being deforested and only 5% of the lowland and mangrove forests remain intact. Land conversion is the main drivers of mangrove degradation along the coastal areas in Sulawesi.</p> <p>Mangrove ecosystem also plays important role in the coastal areas in Sulawesi and the most common threats is land conversion for salt ponds and also illegal logging of mangrove species for charcoal (FAO, 2007).</p> <p>Although the number of production forest and plantation forest is relatively low compared to Kalimantan and Sumatra region, a number of illegal logging activities in Sulawesi have been reported in national media and forums, and the reason behind these continuing activities are due to weak law enforcement and lack of coordination among relevant stakeholders (Tacconi, 2013).</p>	<p>as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>is threatened by forest management activities; AND</p> <p>(18) There is no progress in achieving Aichi biodiversity targets.</p>
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		<p>There is slow progress in achieving Aichi biodiversity targets. Aichi Biodiversity Target No. 11 the goal of 571 conservation areas being implemented has been slow as of 2014, of the 571 conservation areas, 182 have endorsed management plans, 87 with no endorsed management plans, and 252 without management plans. Of the formation Zone/Block 571 conservation areas, 67 have been endorsed, 18 have not been endorsed, and 436 have no zonation/block.</p> <p>HCV 3 is identified in the area under assessment and it is threatened by forest management activities mainly through rapid forest conversion and illegal logging and there is limited progress by the Indonesian government in achieving its Aichi biodiversity targets, thus this indicator is considered Specified risk.</p>		
3.4 HCV 4	7,8	<p>Occurrence</p> <p>Based on the 2008 HCV Toolkit and 2010 revision and HCV Common Guidance for Indonesia, Sulawesi has HCV 4 areas based on the following forest types: 1) primary forests = 2,343,329 ha; 2) secondary forests = 2,924,929 ha; 3) plantation forests = 4,441 ha; and 4) non-forest areas = 2,089,294 ha. Most of the HCV 4 areas are found in forested areas in Sulawesi function as water sources, montane forest as water catchment, wetlands (swamps), riparian buffers, coastline and mangrove forest. See Annex 4 for HCV 4 mapped areas in Sulawesi.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Threats to HCV 4 presence in Sulawesi comprise of the following:</p> <ol style="list-style-type: none"> 1. Land clearing for farms and plantations by communities (also see Category 4 on more details related to threat of forest conversion). <p>Land clearing activities that threaten the presence of HCV 4 areas in cases where these land clearing activities (i) ignore land and water conservation principles, (ii) are done by burning, and (iii) are done along riparian buffers. Such activities have led to increased surface runoff and soil erosion. This results in river sedimentation which reduced the river's capacity to hold water, and in turn increases floodplain areas.</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest, secondary</p>	<p>Specified risk for Sulawesi.</p> <p>Threshold (22) is met: HCV4 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>2. Illegal logging around riparian buffers and in river upstream</p> <p>Illegal logging around riparian buffers takes place by taking advantage of local authorities' poor oversight. The facts on the ground indicate that illegal logging is also facilitated by existing road access.</p> <p>3. Road access construction that is not followed by soil and water conservation</p> <p>It was recorded in a number of areas that the source of river sedimentation is used in road constructed for company production access. Currently required civil engineering techniques and structures for soil and water conservation are adhered to in the construction of these roads (e.g. road side pit).</p> <p>Soil erosion causes the surface layer of top soil becomes depleted. The soil erosion causes considerable impact, both at the place of origin of erosion (on-site) and elsewhere (off-site). The impact of soil erosion on site will usually be felt directly by those who manage the land, namely the reduction in the level of productivity of the soil. Declining soil productivity can be characterized by several things such as:</p> <ol style="list-style-type: none"> 1. The loss of soil fertility due to runoff particle-particle or minerals in the soil, making it difficult to clear land for cultivation. 2. Decreased crop yields. 3. Increased cost of fertilizer use 4. Decreased ability of soil to absorb water (infiltration). This in turn can lead to increased water runoff on the soil surface and in the end may be flooding. 5. Changes in the structure of the soil. 6. Changes in the soil profile. 7. The land becoming barren. 	<p>y forest, plantation s and non-forest areas.</p>	
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		<p>The damage caused to the environment off-set also has impacts. Soil erosion will cause sedimentation, resulting in huge losses to the lives around, such as:</p> <ol style="list-style-type: none"> 1. The occurrence of silting of rivers or lakes 2. The accumulation of building and agricultural lands 3. The decline in water quality 4. Inhibits the smooth transportation of water 5. Disruption of aquatic ecosystems (aquatic biodiversity) <p>Moreover, there is clear evidence that in SE Sulawesi, 34% of deforestation occurred in watershed protection forests (Sau, 2013).</p> <p>HCV 4 is identified in the area under assessment and it is threatened by management activities linked to soil erosion and sedimentation impacts and negative impacts on water quality thus indicator is determined as Specified risk.</p>		
3.5 HCV 5	9,10	<p>Occurrence</p> <p>Natural resources utilisation including forest and rivers by indigenous communities in Sulawesi as source of their basic fundamental sustenance is still common.</p> <p>There are many indigenous communities in Sulawesi and some still depend on natural resources to provide for their daily fundamental needs. These include the Ammatoa Kajang indigenous peoples in Bulukumba District, Central Sulawesi; the Bada' indigenous community in Poso District, Central Sulawesi; the Pattalassan community in Gowa District, South Sulawesi; and the Dongi community in East Luwu District, South Sulawesi. There are also the Seko people from North Luwu District, Central Sulawesi; Tolotang indigenous people from Sidrap District, South Sulawesi; and the Wawonii tribe in Wawonii Island, one of the small islands in the southeast region of Southeast Sulawesi. There are many more other indigenous peoples distributed throughout Sulawesi.</p> <p>The existence of indigenous communities with their historical, social and spiritual values and local knowledge relevant to customary territory management can be seen from the distribution of</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private</p>	<p>Specified risk for Sulawesi.</p> <p>Threshold (26) is met: HCV5 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

	<p>indigenous peoples in Sulawesi as published by BRWA in their website www.brwa.or.id or the global distribution map of indigenous peoples in www.landmarkmap.org. For the Sulawesi region, customary territory maps registered in BRWA comprise 86 customary territories and 958,712 ha.</p> <p>Sulawesi has HCV 5 areas with the following areas, calculated based on forest types: 1) primary forests = 344.521ha; 2) secondary forests = 448.001 ha; 3) plantation forests = 707 ha; and 4) non-forest areas = 822.498ha. See Annex 5 for HCV 5 points/areas in Sulawesi.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Threats to water sources that local and indigenous communities are dependent on for their livelihoods in general are:</p> <ol style="list-style-type: none"> 1. Land clearing for farms and plantations by communities and companies 2. Illegal logging around riparian buffers and in river headwaters 3. Road access construction that is not followed by soil and water conservation efforts 4. Mill effluent 5. Illegal mining <p>Mongabay's site (2014) recorded that the cause of agrarian conflict in Central Sulawesi is investment through large-scale timber logging, mining and plantation concession distributed throughout in nearly all the districts. There are around 14 active timber logging concessions operating in 1,001,445 ha area and 11 active company units operating in 844,835 ha. In addition, there are 15 plantation companies with Land Use Rights (HGU) with total area of 93,135 ha and timber utilization permits (IPK) and private land timber utilization permits (IPK-TM) in over 4,035.39 ha. To top it all off, forest boundary problems contribute to tenure conflicts in Sulawesi.</p> <p>Currently the oil palm plantation (permitted area) have been issued by the local government in Central Sulawesi, covers: 693,699.60 Ha (WALHI Central Sulawesi analysis results, TUK, PEI, 2015): first, there is just Location Permitted (INLOK); and also on Plantation Business Permit (IUP) and there are up on stage to get Hak Guna Usaha (HGU); Permitted Area: 250,763.42 ha; Plantation Business License: 294,545.30 Ha; Hak Guna Usaha: 148,390.88 ha. The area of the</p>	<p>forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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		<p>estate licensing is certainly very surprised for the Middle Sulawesi Province that area is only about 6.3 million hectares (WALHI 2015).</p> <p>Constitutional Court Decision No. 35 of 2012 that recognizes customary forest no longer as state forests is an amendment of Law No. 41/1999. This decision must be followed up immediately with implementation of operation policies to resolve land tenure issues and threats to customary forests, local wisdom, and spiritual sites within customary territories. This decision also provides legal certainty, territory and control as well as indigenous peoples' participation in protecting and management important HCV 6 sites. The Ministry of Forestry has issued Decree of Minister of Environment and Forestry No. 32/2015 on Private Forests that stipulates the process for customary forest recognition as part of implementing Constitutional Court Decision No. 35.</p> <p>Most HCV 5 areas are located in non-forest areas and in secondary forests. All HCV 5 areas outside of forest areas face greater risks due to oil palm plantation expansion. HCV 5 areas in secondary forests and plantations require adequate protection because of its dwindling numbers due to competition with economic interests, infrastructure developments, and other land use conversion compounding the overall threat HCV 5 levels.</p> <p>In conclusion, HCV 5 is identified in the area under assessment and sites and resources fundamental for satisfying the basic necessities of indigenous peoples are threatened by management activities thus is considered Specified.</p>		
3.6 HCV 6	11,12	<p>Occurrence</p> <p>The existence of indigenous communities with their historical, social and spiritual values and local knowledge relevant to customary territory management can be seen from the distribution of indigenous peoples in Sulawesi as published by BRWA in their website www.brwa.or.id or the global distribution map of indigenous peoples in www.landmarkmap.org. For the Sulawesi region, customary territory maps registered in BRWA comprise 86 customary territories and 958,712 ha.</p> <p>Many megalithic artefacts are found in the Central Sulawesi highlands. There are also many customary law communities and their traditional rights present in Sulawesi. In 2000-2004, six local government regulations were issued on customary traditions and organizations empowerment and conservation. In addition, there is a local government regulation recognizing the Tau Ta Wana</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation</p>	<p>Specified risk for Sulawesi.</p> <p>Threshold (30) is met: HCV 6 is identified and/or its occurrence is likely in the area under assessment and it is threatenend</p>

	<p>indigenous people in Morowali District, the Ammatoa Kajang people in Bulukumba District, and the Local Government Regulation on Guidelines for Recognition of Indigenous Peoples in Enrekang District. This shows that the presence of indigenous peoples and their culture is an important component of HCV 6 in Sulawesi.</p> <p>In the Ammatoa Kajang people, the Ammatoa or highest spiritual leader of the Kajang people divides the forest into two categories: borong karamaka or sacred or forbidden forest. This is located in Benteng Sub village and is divided into seven: borong tode, borong naraka, borong karanjang, borong katinting, borong sobbu, borong campaga puang and borong topalo. This forbidden forest cannot be entered, which the community calls “kasimpali”. “Kasimpali” means it is forbidden to disturb the forest plants and animals for the purpose of protecting the borong karamaka.</p> <p>Sulawesi has area of HCV 6 with the following areas, calculated based on forest types in point of customary land: 1) primary forests = 15 point 2) secondary forests = 18 point; 3) plantation forests = one point; and 4) non-forest areas = 22 point. See Annex 4 for HCV 6 points/areas in Sulawesi.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Mongabay’s site (2014) recorded that the cause of agrarian conflict in Central Sulawesi is investment through large-scale timber logging, mining and plantation concession distributed throughout in nearly all the districts. There are around 14 active timber logging concessions operating in 1,001,445 ha area and 11 active company units operating in 844,835 ha. In addition, there are 15 plantation companies with Land Use Rights (HGU) with total area of 93,135 ha and timber utilization permits (IPK) and private land timber utilization permits (IPK-TM) in over 4,035.39 ha. To top it all off, forest boundary problems contribute to tenure conflicts in Sulawesi.</p> <p>Currently the oil palm plantation (permitted area) have been issued by the local government in Central Sulawesi, covers: 693,699.60 Ha (WALHI Central Sulawesi analysis results, TUK, PEI, 2015): first, there is just Location Permitted (INLOK); and also on Plantation Business Permit (IUP) and there are up on stage to get Hak Guna Usaha (HGU); Permitted Area: 250,763.42 ha; Plantation Business License: 294,545.30 Ha; Hak Guna Usaha: 148,390.88 ha. The area of the</p>	<p>on forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>by management activities.</p>
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		<p>estate licensing is certainly very surprised for the Middle Sulawesi Province that area is only about 6.3 million hectares (WALHI 2015).</p> <p>Constitutional Court Decision No. 35 of 2012 that recognizes customary forest no longer as state forests is an amendment of Law No. 41/1999. This decision must be followed up immediately with implementation of operation policies to resolve tenure issues and threats to customary forests, local wisdom, and spiritual sites within customary territories. This decision also provides legal certainty, territory and control as well as indigenous peoples' participation in protecting and management important HCV 6 sites. The Ministry of Forestry has issued Decree of Minister of Environment and Forestry No. 32/2015 on Private Forests that stipulates the process for customary forest recognition as part of implementing Constitutional Court Decision No. 35. The implementation of the Court Decision is still uncertain. Meanwhile some NGOs have drafted Indigenous Peoples Law as a means to follow up the Court Decision. Indigenous Peoples are hopeful for the existence of A Draft Indigenous Peoples Law currently being finalized by the Parliament. The Law if adopted will be a major step toward recognition and protection of Constitutional Rights of Indigenous Peoples in Indonesia. A Law that will open the window of opportunity for a reconciliation of Indigenous Peoples and The Indonesian State... Unfortunately, the Ministry of Forestry that has been assigned by the President in April 2013 to coordinate all four ministries working with the National Parliament to finalized the Draft law for adoption – does not show any promising progress. In fact many argue that the Ministry of Forestry deliberately delays the process. With this situation the risk of protecting any indigenous people sites of interest is legally uncertain. Land tenure conflicts are still continuing</p> <p>In another model for customary forest protection, in 2008 the Utik River customary forest received an ecolabel certification from LEI that was presented directly by the Minister of Forestry. Local communities successfully protected their customary forest sustainably and free from all illegal logging activities. In Kapuas Hulu, only the Utik River customary forest is still protected and free from illegal logging done by Malaysian timber barons several years ago. Tangible steps are needed from the policy sector as well as policy enforcement on the ground to push for customary forest recognition.</p> <p>In conclusion, most HCV 6 areas are located in non-forest areas and in secondary forests. All HCV 6 areas outside of forest areas face greater risks due to oil palm plantation expansion. HCV 6 areas in secondary forests and plantations require adequate protection because of its dwindling numbers</p>		
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		<p>due to competition with economic interests, infrastructure developments, and other land use conversions compounding the overall threat HCV 6 levels.</p> <p>HCV 6 is identified in the area under assessment and it is threatened by management activities thus is considered Specified risk.</p>		
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Recommended control measures

IMPT: For all below control measures please see the applicable HCV Category map to identify Specified risk areas.

Indicator	Recommended control measures
3.1 HCV 1	<p>Evidence of:</p> <ul style="list-style-type: none"> – SOP to maintain areas of HCV1 – List of Rare, Threatened and endangered species within the FMU – Monitoring and evaluation of RTE species – Installment of an information board on conservation areas containing HCVs – Conservation campaign to increase the awareness of the importance of conservation amongst local community and relevant stakeholders – Routine boundary patrol – Hunting and fishing restriction in the areas where HCV1 are present.
3.2 HCV 2	<p>Evidence of:</p> <ul style="list-style-type: none"> - SOP that HCV2 areas are maintained - Installment of an information board on conservation areas containing HCVs - Conservation campaign to increase the awareness of the importance of conserving various unique forest ecosystem and habitat, riparian forest - Routine boundary patrol

	<ul style="list-style-type: none"> - Hunting and fishing restriction in the areas where HCV2 presence. - Control of illegal logging and forest encroachment
3.3 HCV 3	<p>Evidence of:</p> <ul style="list-style-type: none"> - SOP to maintain areas of HCV3 - Installment of information board - Conservation campaign to increase the awareness of the importance of ecosystem conservation amongst local community and relevant stakeholders - Routine boundary patrol - Hunting and fishing restriction in the areas where HCV3 presence.
3.4 HCV 4	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. A Early Warning System to monitor fires 2. Enrichment planting and forest rehabilitation in the degraded forest and riparian zone (especially area located in steel slopes of >40%) 3. Installment of information board on conservation areas containing HCVs 4. Conservation campaign to local community(s) and relevant stakeholders 5. Awareness program for local community(s) 6. Regular patrol 7. Monitoring and evaluation
3.5 HCV 5	<p>Verifier:</p> <p>Some NGOs in Sulawesi are doing advocacy work for indigenous peoples rights such as Perkumpulan Wallace, YMP Palu (Yayasan Merah Putih, and Bantaya. National NGOs including WALHI, AMAN, JKPP (Participation Mapping network), Samdhana Institute, and Epistema n Huma are acting as indigenous rights policy and law watchdogs.</p> <p>To get additional confirmation there is a concern with HCV 5 values connected to indigenous communities located in areas identified on the HCV 5 map for Sulawesi one could outreach to one or more of the above NGOs.</p> <p>Control measures:</p>

	<ul style="list-style-type: none"> Continued to support Customary communal rights through adhering to local and national regulations, as evidence through conservation HCV 5 set-aside areas Demonstrated local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). Demonstrated community development and livelihoods projects (e.g. employment and healthcare) support Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks) Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous forest cover which can limit the impact on potential species or areas that important for local livelihoods) Infrastructure planning (e.g. improved road building) Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife) Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives) <p>Sources:</p> <ol style="list-style-type: none"> https://perkumpulanwallacea.wordpress.com/tag/perkumpulan-wallacea/ http://www.ymp.or.id/ http://www.jurnalcelebes.org/
3.6 HCV 6	<p>Verifier:</p> <p>Some NGOs in Sulawesi are doing advocacy work for indigenous peoples rights such as Perkumpulan Wallace, YMP Palu (Yayasan Merah Putih, and Bantaya. National NGOs including WALHI, AMAN, JKPP (Partitipation Mapping network), Samdhana Institute, Epistema n Huma are acting as indigenous rights policy and law watchdogs.</p> <p>To get additional confirmation there is a concern with HCV 6 values connected to indigenous communities located in areas identified on the HCV 6 map for Sulawesi one could outreach to one or more of the above NGOs.</p> <p>Control measures which include evidence of:</p> <ul style="list-style-type: none"> Continued to support Customary communal rights through adhering to local and national regulations, as evidence through conservation HCV 5 set-aside areas

	<ul style="list-style-type: none"> • Demonstrated local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). • Demonstrated community development and livelihoods projects (e.g. employment and healthcare) support • Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks) • Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous forest cover forestry) which can limit the impact on potential species or areas that important for local people in terms of cultural, historical and spiritual sites) • Infrastructure planning (e.g. improved road building) • Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife) • Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives)
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Information sources

No.	Source of information	Relevant HCV category and indicator
1	<ol style="list-style-type: none"> 1. Mardiasuti A, Kusri MD, Mulyani YA et al. (2008). Arahana Strategis Konservasi Spesies Nasional 2008-2018. Direktorat Jenderal Perlindungan Hutan dan Konservasi Alam-Departemen Kehutanan RI, Jakarta. 2. Dinas Kehutanan Provinsi Sulawesi Utara (2014). Pembangunan taman hutan raya Gunung Tumpa. Dinas Kehutanan Provinsi Sulawesi Utara, Manado. 3. Dominggus (1999). Prospek dan Kontribusi Taman Nasional Bunaken terhadap Pembangunan Daerah. Pertemuan Regional "Pengelolaan Taman Nasional Kawasan Timur Indonesia". NRM/EPIQ-USAID Konservasi Kawasan, Manado 	HCV 1 Occurrence
2	<ol style="list-style-type: none"> 1. Tempo.co (2010). Pembalakan Liar di Luwu Timur Marak. 16. November 2010. Available at: https://nasional.tempo.co/read/news/2010/11/16/176292181/pembalakan-liar-di-luwu-timur-marak 	HCV 1 Threats

	<p>2. Perarta, Y. (2015). Dishut Disinyalir Biarkan Pembalakan Liar Hutan Kapontori. 28.12.2015. Available at: http://www.antarasultra.com/berita/281271/dishut-disinyalir-biarkan-pembalakan-liar-hutan-kapontori</p> <p>3. Tjitrosemitro S, Setyawati T, Susmianto A. (2013). Invasive plant species risk management for forestry sector in Indonesia. Proceeding Forest and Biodiversity International Conference. Balai Penelitian Kehutanan Manado, Manado, 5-6 Juli 2013.</p>	
3	<p>1. The IFL Mapping Team (2006-2017). World's Intact Forest Landscapes, 2000-2013. Available at: http://www.intactforests.org/world.map.html</p> <p>2. Globalforestwatch.org (N.Y). Search Sulawesi; Forest loss and Gain and IFL. Available at: http://www.globalforestwatch.org/map/8/-3.24/122.11/ALL/grayscale/loss,forestgain/607?tab=analysis-tab&begin=2001-01-01&end=2015-01-01&threshold=30</p>	HCV 2 Occurrence
4	<p>1. Tempo.co (2010). Pembalakan Liar di Luwu Timur Marak. 16. November 2010. Available at: https://nasional.tempo.co/read/news/2010/11/16/176292181/pembalakan-liar-di-luwu-timur-marak</p> <p>2. Perarta, Y. (2015). Dishut Disinyalir Biarkan Pembalakan Liar Hutan Kapontori. 28.12.2015. Available at: http://www.antarasultra.com/berita/281271/dishut-disinyalir-biarkan-pembalakan-liar-hutan-kapontori</p>	HCV 2 Threats
5	<p>1. Tacconi, L. (2013). Illegal Logging: Law Enforcement, Livelihoods and the Timber Trade. CIFOR</p> <p>2. Hoare, A and Wellesley, L. (2014). Illegal Logging and Related Trade: The Respon di Indonesia. Research Paper. Energy, Environment and Resources. October 2014. A Chatam House Assessment.</p> <p>3. Undang-undang Nomor 5 Tahun 1967 tentang Ketentuan-ketentuan Pokok Kehutanan (Lembaran Negara Tahun 1967 Nomor 8, Tambahan Lembaran Negara Nomor 2823);</p> <p>4. Armitage, D. (2002). Socio Institutional Dynamic and the Political Ecology of Mangrove Forest Conservation in Central Sulawesi, Indonesia. Global Climate Change. 12 (3), 203-217.</p> <p>5. Ministry of Forestry Republic of Indonesia (2014). Recalculation of Indonesia's land cover in 2013 (in Indonesia): Direktorat Jenderal Planologi Kehutanan.</p> <p>6. FAO (2007). The world's mangrove 1980-2005. Rome: Food and Agriculture Organization of the United Nations.</p>	HCV 3 Occurrence

	7. WALHI (2015). Laporan Penelitian Wahana Lingkungan Hidup Indonesia (WALHI), 2015.	
6	<ol style="list-style-type: none"> 1. Tacconi, L. (2013). Illegal Logging: Law Enforcement, Livelihoods and the Timber Trade. CIFOR 2. Hoare A and Wellesley, L. (2014). Illegal Logging and Related Trade: The Respon di Indonesia. Research Paper. Energy, Environment and Resources. October 2014. A Chatam House Assessment. 3. Undang-undang Nomor 5 Tahun 1967 tentang Ketentuan-ketentuan Pokok Kehutanan (Lembaran Negara Tahun 1967 Nomor 8, Tambahan Lembaran Negara Nomor 2823); 4. Armitage, D. (2002). Socio Institutional Dynamic and the Political Ecology of Mangrove Forest Conservation in Central Sulawesi, Indonesia. Global Climate Change. 12 (3), 203-217. 5. Ministry of Forestry Republic of Indonesia (2014). Recalculation of Indonesia's land cover in 2013 (in Indonesia): Direktorat Jenderal Planologi Kehutanan. 6. FAO (2007). The world's mangrove 1980-2005. Rome: Food and Agriculture Organization of the United Nations. 	HCV 3 Threats
7	<ol style="list-style-type: none"> 1. PP No 38 tahun 2011, Tentang Sungai 2. PP No 28 Tahun 2011, Tentang Pengelolaan kawasan suaka alam dan kawasan pelestarian alam 3. Peraturan Menteri Pekerjaan Umum Dan Perumahan Rakyat No 28 /PRT/M/2015 4. SK Mentan Nomor 837/KPTS/UM/11/80 5. PERDA SULSEL Nomor 4 Tahun 2015, Tentang Pengelolaan Hutan Rakyat 6. Sau AAWT (2013). Quantifying forest degradation and deforestation using Geographic Information System (GIS); a case study in the three provinces, South Kalimantan, East Kalimantan and South-east Sulawesi, Indonesia. New Zealand: University of Canterbury. 	HCV 4 Occurrence
8	<ol style="list-style-type: none"> 1. Government Decree No. 38 of 2011 concerning Rivers 2. Government Decree No. 28 of 2011 concerning Sanctuary Reserves and Nature Conservation areas 	HCV 4 Threats

	<ol style="list-style-type: none"> Decree of Minister of Public Works and Housing No. 28/PRT/M/2015 Decision Letter of Minister of Agriculture No. 837/KPTS/UM/11/80 South Sulawesi Local Government Regulation No. 4 of 2015 concerning Community Forest Management Sau AAWT (2013). Quantifying forest degradation and deforestation using Geographic Information System (GIS); a case study in the three provinces, South Kalimantan, East Kalimantan and South-east Sulawesi, Indonesia. New Zealand: University of Canterbury. 	
9	<ol style="list-style-type: none"> Tacconi, L. (2013). Illegal Logging: Law Enforcement, Livelihoods and the Timber Trade. CIFOR FAO (2007). The world's mangrove 1980-2005. Rome: Food and Agriculture Organization of the United Nations. Suharjito, Didik, et al. "Karakteristik pengelolaan hutan berbasis masyarakat." Jogjakarta, Indonesia: Studi Kolaboratif Forum Komunikasi Kehutanan Masyarakat. 1999. Komnasham.go.id (N.Y). Available at: http://www.komnasham.go.id/sites/default/files/dok-publikasi/BUKU%201%20--%20HAK%20MASYARAKAT%20HUKUM%20ADAT%20ATAS%20WILAYAHNYA%20DI%20KAWASAN%20HUTAN_1.pdf LandMarkmap.org (N.Y). Global Platform of Indigeneous And Community Lands. Available at: http://www.landmarkmap.org/map/#x=120.32&y=-2.05&l=7 BRWA (N.Y). Map; Customary Territory Registration Body: Mukim Sarah Raya customary territory (http://brwa.or.id/sig/) Hidayat, R. (N.Y). Cagar Budaya Di Kabupaten Poso Provinsi Sulawesi Tengah (Hasil Laporan Inventarisasi cagar Budaya Romi Hidayat_BPCB Gorontalo. Available at: https://www.academia.edu/8464322/CAGAR_BUDAYA_DI_KABUPATEN_POSO_PROVINSI_SULAWESI_TENGAH_Hasil_Laporan_Inventarisasi_Cagar_Budaya Protomalayans.blogspot.com (N.Y). Suku Tolotang, Sulawesi. Available at: http://protomalayans.blogspot.co.id/2012/10/suku-tolotang-sulawesi.html 	HCV 5 Occurrence

	<p>9. Rahayu, M. et al., (2006). Pemanfaatan Tumbuhan Obat secara Tradisional oleh Masyarakat Lokal di Pulau Wawonii, Sulawesi Tenggara. Traditonal use of medicinal herbs by local community of Wawonii island, Southeast Sulawesi. Mulyati Rahayu, Siti Sunarti, Diah Sulistiarini, Suhardjono Prawiroatmodjo. Available at: http://biodiversitas.mipa.uns.ac.id/D/D0703/D070310.pdf</p>	
10	<p>10. Komnasham.go.id (N.Y). Available at: http://www.komnasham.go.id/sites/default/files/dok-publikasi/BUKU%201%20--%20HAK%20MASYARAKAT%20HUKUM%20ADAT%20ATAS%20WILAYAHNYA%20DI%20KAWASAN%20HUTAN_1.pdf</p> <p>11. LandMarkmap.org (N.Y). Global Platform of Indigneous And Community Lands. Available at: http://www.landmarkmap.org/map/#x=120.32&y=-2.05&l=7</p> <p>12. BRWA (N.Y). Map; Customary Territory Registration Body: Mukim Sarah Raya customary territory (http://brwa.or.id/sig/)</p> <p>13. Hidayat, R. (N.Y). Cagar Budaya Di Kabupaten Poso Provinsi Sulawesi Tengah (Hasil Laporan Inventarisasi cagar Budaya Romi Hidayat_BPCB Gorontalo. Available at: https://www.academia.edu/8464322/CAGAR_BUDAYA_DI_KABUPATEN_POSO_PROVINSI_SULAWESI_TENGAH_Hasil_Laporan_Inventarisasi_Cagar_Budaya</p>	HCV 5 Threats
11	<p>1. Komnasham.go.id (N.Y). Available at: http://www.komnasham.go.id/sites/default/files/dok-publikasi/BUKU%201%20--%20HAK%20MASYARAKAT%20HUKUM%20ADAT%20ATAS%20WILAYAHNYA%20DI%20KAWASAN%20HUTAN_1.pdf</p> <p>2. BRWA (N.Y). Map; Customary Territory Registration Body: Mukim Sarah Raya customary territory (http://brwa.or.id/sig/)</p> <p>3. BRWA (N.Y). Map; Customary Territory Registration Body: Mukim Sarah Raya customary territory (www.brwa.or.id/sig/)</p> <p>4. Hidayat, R. (N.Y). Cagar Budaya Di Kabupaten Poso Provinsi Sulawesi Tengah (Hasil Laporan Inventarisasi cagar Budaya Romi Hidayat_BPCB Gorontalo. Available at:</p>	HCV 6 Occurrence

	https://www.academia.edu/8464322/CAGAR_BUDAYA_DI_KABUPATEN_POSO_PROVINSI_SULAWESI_TENGAH_Hasil_Laporan_Inventarisasi_Cagar_Budaya	
12	<ol style="list-style-type: none"> 1. Paino, C. (2014). Eksploitasi Alam di Sulawesi Tengah Terus Dilakukan Secara Masif. Mongabay, 30.12.14. Available at: http://www.mongabay.co.id/2014/12/30/eksploitasi-alam-di-sulawesi-tengah-terus-dilakukan-secara-masif/ 2. Paino, C. (2014a). Kala Tata Batas Hutan Terus Mendulang Konflik di Sulawesi. Mongabay, 28.05.2014. http://www.mongabay.co.id/2014/05/28/kala-tata-batas-hutan-terus-mendulang-konflik-di-sulawesi/ 3. Peraturan Menteri Lingkungan Hidup Dan Kehutanan Republik Indonesia. Nomor: P. 32/Menlhk-Setjen/2015. Tentang. Hutan Hak. Available at: http://ditjenpskl.blogspot.co.id/2015/08/peraturan-menteri-no32-th2015.html 4. http://www.cnnindonesia.com/nasional/20150814161648-12-72242/kementerian-lhk-akui-kawasan-adat-sebagai-hutan-hak/ 5. Sofwan, R. (2015). Kementerian LHK Akui Kawasan Adat sebagai Hutan Kah. CNN Indonesia. 14.08.2015. Available at: http://www.lei.or.id/id/news/500/masyarakat-adat-sungai-utik-terima-sertifikat-ekolabel 6. Int.Piplinks.org (2014). Indonesia: Indigenous Peoples Urge Implementation of Constitutional Court Ruling and Adoption of Indigenous Peoples Law. Available at: http://int.piplinks.org/indonesia:-indigenous-peoples-urge-implementation-constitutional-court-ruling-and-adoption-indigenou.html 	HCV 6 Threats

Area under Assessment: Papua				
Indicator	Sources of Information	HCV occurrence and threat assessment	Functional scale	Risk designation and determination
3.1 HCV 1	1,2	<p>Occurrence</p> <p>Papua and West Papua have the largest proportion of production forest among the five provinces in Indonesia. Beside the designated conservation and protected areas, the conservation areas allocated by the forest management unit may have added much larger total of conservation areas containing HCV1.</p> <p>The total number of timber concessions in Papua is 42 while the number of timber plantations is 2. Almost all forest management units are managed by private/forest concessionaires located in primary and secondary forest areas which are topographically and physiographically located close and/or are often directly adjacent, areas of EBA (Endemic Bird Area) and IBA (Important Bird Areas), protected forest and nature reserves and have an important function in supporting local biodiversity levels.</p> <p>In addition, the presence of HCV1 are found along water course areas and riparian forests, conservation areas (KPPN), Protected Forest buffer zone and areas with a gradient of more than 40% which also play a significant role in supporting the surrounding biodiversity.</p> <p>Papua and West Papua has three large National Park, Mt Lorents, Wasur and Teluk Cenderawasih. These three national parks are designated as conservation area due to their unique biodiversity characteristics. Lorentz national park is the largest national parks with 2,4 million ha areas and was declared as World Heritage Site by UNESCO in 1999 and while the Wasur National Park is set aside as Ramsar Site. The selection is based on a number of characters meeting the world's standard (Universal Outstanding Values) with global significance. Wasur has Rawa Biru Lake is a place for many migratory species such as, birds, walabi and casoari. Lorentz is home to 20 species of endemic birds such as long tail cendrawasih (<i>Paradigalla caruneulata</i>) and puyuh salju (<i>Anurophasis</i></p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest land/farm land.</p> <p>Primary forest,</p>	<p>Specified risk for Papua.</p> <p>Threshold (8) is met: HCV 1 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities</p>

	<p><i>monorthonyx</i>). Lorentz National Park is representative of the most complete ecosystem for biodiversity conservation in the Asia Pacific region. This area is also one of three regions in the world that has a glacier in the tropics. It stretches from the ice cap in the elevation of 5,030 above sea level down to the coastal areas with mangrove forest and to the border of Arafura sea. Within the landscape, there is an amazing ecological spectrum of various vegetation such as alpine, sub-alpine, Montana, sub-Montana, lowland and wetland. As many as 34 vegetation types enriches the biodiversity of ecosystems including swamp forests, riparian areas, safo forests, peat swamp forests, coral reef areas, lowland tropical rainforests, hill tropical rainforests, heath forests, mountain forests, savanna and moss forests. Wasur NP located in Merauke is part of the largest wetland in Papua and it is exposed to very little human intervention. Its rich biodiversity known as “Serengeti Papua” as almost 70% of its area covered by savanna while other ecosystem is dominated by swamp, monsoon, mangrove, beach, bamboo and sago forests.</p> <p>Papua and West Papua have in total of 24 nature reserves and both are considered as areas with the highest biodiversity richness in Indonesia. A number of endemic species can be found in primary and secondary forests in Papua such as Nuri Kepala Hitam (<i>Lorius lorry</i>), Kakatua (<i>Cacatua galerita</i>), Mambruk (<i>Goura victoria</i>), Penyu (<i>Chelonia mydas</i>), Kasuari (<i>Casuarius sp.</i>), Kuskus (<i>Spilocuscus sp.</i>), Bayan (<i>Eclectus roratus</i>) and Kanguru (<i>Phalanger sp.</i>). It is believed there are still many unidentified wild flora and fauna on the island.</p> <p>One of the main commercial timber species is endemic to Papua and almost 30% production comes from a FSC certified forest management unit located in Yapen island, Papua province. There are three merbau species (<i>Instia bijuga</i>, <i>Instia acuminata</i>, <i>Instia palembanica</i>) that are globally known to originate from this region – known as premium wood species with high appreciation in the market for outdoor applications (good for decking). Merbau species are categorized as Vulnerable under the IUCN.</p> <p>With more than 90% of its area covered by forest, Papua and West Papua region provide a wide range of habitat for the endemic wildlife including place for some migratory species. Papua also known as part of Australasia meaning that these areas share some of the flora and fauna species such as Kanguru (<i>Phalanger sp</i>) and some alpine tree species of <i>Nothophagus sp.</i> Using precautionary approach and based on few number of FSC public summary report HCVF assessments done in Papua and forest cover delineation of HCV1 using HCVF Toolkits’ guidance the</p>	<p>secondary forest, plantations and non-forest areas.</p>	
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		<p>total size for HCV 1 are as follows (based on forest types): 1) primary forest = 26,146,012 ha, 2) secondary forest = 7,903,984 ha, 3) plantation forest = - ha, and 4) non-forest = 1,574.671ha. See Annex 5 for mapped HCV 1 areas in Papua.</p> <p>Threats & Safeguards identification and evaluation</p> <p>A spatial analysis by Anggraeni and Watopa (2004) indicates that 60% of the protection areas is allocated as a form wildlife conservation in Papua but unfortunately some of the area overlaps with mining concessions and farmlands. Our analysis on the presence of HCV1 based on the HCVF Toolkits version 2008 shows that around 80% of its forest contains HCV1. Based on reports and journal articles, a number of management activities such as illegal logging, mining and some human activities are threatening HCV1 attributes. Papua is well known for its rich natural resources especially its highly valuable forest resources (mainly connected to three commercial species of Merbau).</p> <p>Compared to other regions, Papua showed slowest development progress due to a low capacity of human resources and historical poor economic conditions. Following the decentralization era regional autonomy was gained through a policy is issued through Act No 32 year 2004 concerning Regional Autonomy.</p> <p>Papua faced with the creation of new regencies the opening of pristine forest to support this development program. To catch up on progress compared to other regions, the regional government put strong effort into getting more capital from revenue through more mining and logging industry extraction plus through supporting the expansion of the palm oil industry.</p> <p>Village and district extensions also led to more road infrastructure and consequently more open access to the many primary forest in Papua. Thus, the main threat to HCV1 is habitat removal, fragmentation and overexploitation of natural resources.</p> <p>To protect these natural resources, the central and regional government has issued a number of policy concerning ecosystem protection including its biodiversity through the issuance of :</p>		
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		<ol style="list-style-type: none"> 1. Undang-undang Nomor 5 Tahun 1990 tentang Konservasi Sumber Daya Alam Hayati dan Ekosistemnya (Lembaran Negara Tahun 1990 Nomor 49, Tambahan Lembaran Negara Nomor 3419); 2. Undang-undang Nomor 24 Tahun 1992 tentang Penataan Ruang (Lembaran Negara Tahun 1992 Nomor 115, Tambahan Lembaran Negara Nomor 3501); 3. Keputusan Presiden Nomor 43 Tahun 1978 tentang Pengesahan Convention on International Trade in Endangered Species of Wild Flora and Fauna (Lembaran Negara Tahun 1978 Nomor 51); 4. k. Keputusan Presiden Nomor 26 Tahun 1989 tentang Pengesahan Convention Concerning the Protection of the World Cultural and Natural Heritage (Lembaran Negara Tahun 1989 Nomor 17); 5. Keputusan Presiden Nomor 48 Tahun 1991 tentang Pengesahan Convention on Wetlands of International Importance Especially as Waterfowl Habitat (Lembaran Negara Tahun 1991 Nomor 73); 6. UU No. 21 year 2004 concerning Cartagena Protocol on Convention on Biological Diversity 7. UU No 5 year 1994 on UNCBD ratification 8. Peraturan Menteri Lingkungan Hidup No. 29 year 2009 on Guide to Regional Biodiversity Conservation <p>In 2015, the regional government of West Papua, initiated by the Governor, has declared its province become Conservation Province aiming at protecting and managing its natural resources in a sustainable manner. This might become the fundamental basis for their development to improve community welfare. Thus, the government tries to commit themselves to develop their region sustainably. Under the Special Autonomy Law No.21 year 2001, Papua needed to enact the existing law to maintain its natural resources in the long run. Thus, support from the local government together with the local people including indigenous community(s) plays an important role in conserving the biodiversity. Local government now holds strong power to manage and control its natural resources.</p> <p>In terms of the forestry sector and considering the continuous threats of illegal activities in some of the certified and non-certified forests, it is very crucial to develop awareness program on sustainable</p>		
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		<p>forest management. It is not only targeted to the forest management unit but also to local community and indigenous people so that the government can keep their remaining forest intact.</p> <p>Not only logging and plantation development should be carefully control, but also the social problems around the forest management unit should be resolved. The identified HCV1 should be integrated with Spatial Land Use Planning at Province Level to avoid land use conflict and overlapped activities. Thus, HCV identification should be done at the landscape level to provide clear authority in maintaining the attributes.</p> <p>Although the regional government on West Papua has declared its area as Conservation Province, a number of illegal logging activities and illegal mining remains issues as evidenced in several medias and forums, and the reason behind these continuing activities are mainly due to poor social and economic conditions, weak law enforcement and lack of coordination amongst relevant stakeholders. In addition, massive road construction (trans Papua) and area extension evidences are leading to more forest openings including more forest conversion for oil palm plantations.</p> <p>HCV 1 is identified in the area under assessment and it is threatened by management activities and for this indicator is considered Specified risk. Also see Categories 1 and 4 for more details on risks that may impact HCV 1.</p>		
3.2 HCV 2	3,4	<p>Occurrence</p> <p>Using the precautionary approach and based on a number of FSC public summary reports of HCVF assessment conducted in Papua and forest coverage delineation of HCV2 based on the HCVF Toolkits' guidance the total size for HCV 2 are as follows (based on forest types): 1) primary forest = 31,120,543 ha, and 2) secondary forest = 9,183,536 ha. There are no HCV2 found in plantation and non-forest area. See Annex 5 for mapped HCV 5 areas in Papua.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Based on the IFL maps, the intact forest extent in the Papua region is relatively large compare to the other regions in Indonesia. As the number of timber concession is relatively low (5%) meaning that forest fragmentation due to road construction and logging remain minimum. However, the number of</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation</p>	<p>Specified risk for protection, production and conservation forests.</p> <p>Threshold (12) is met: HCV2 is identified and/or its occurrence is likely in the area under assessment, and it is threatened</p>

		<p>mining concessions which also have become major threats leading to forest openings/fragmentation might contribute to the reduced extent of HCV2.</p> <p>In Papua, commercial timber is currently extracted mainly from natural primary and secondary forests and unlike Sumatra and Kalimantan, only few number of production forests operated in the Papua region. A large portion of natural forest remains intact. Based on the recent report from Statistic Center Agency (<i>Badan Pusat Statistik</i>) in 2015, there are 23 forest management units (Natural and plantation forest) located in Papua (5 %). Based on the overlay of HCV2 and IFLs, the concentration of the HCV2 are situated in the center of the mainland. Common threats to HCV2 are forest encroachment, illegal logging, gold and nickel mining (42% of mining concessions are located in primary forests), oil palm plantation and forest conversion for farm land (cloves and cacao).</p> <p>The expansion of human settlements may lead to more forest openings for road construction etc.</p> <p>The latest spatial analysis shows that the road network has approached more than 2700 km and about 25% of protected areas in Papua are located in less than 20 km from the constructed roads (Anggraeni and Watopa, 2004). Once these roads are developed, they are high access points that provide more opportunities for people to enter and fragment the remote forest areas. Today, the regional government of Papua has put their highest development priority for infrastructure building including road network, especially to connect remote settlements. Forest openings for road networks are also established by oil, mining, logging and oil palm companies. Road networks are one of the main causes of HCV 2 forest fragmentation.</p> <p>HCV 2 is identified in the area under assessment, and it is threatened by management activities by fragmentation including due to illegal logging and other land use conversion threats, thus this indicator is considered Specified risk for protection, production and conservation forests. Also see Categories 1 and 4 for more details on risks to HCV 2. And is designated as low risk for plantation and non-forest areas, as there is no HCV2 found and its occurrence is unlikely.</p>	<p>forests as well as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>by management activities.</p> <p>Low risk for plantation and non-forest area.</p> <p>Threshold (9) is met: There is no HCV 2 identified and its occurrence is unlikely in the area under assessment.</p>
3.3 HCV 3	5,6	<p>Occurrence</p> <p>Papua region is well known for its rich biodiversity and very diverse ecosystems. In general, ecosystems in Papua cover savannas, peat swamps, mangroves, mountain ranges, subalpine forests, upper mountain wet forests, lower mountain wet forests and lowland evergreen forests</p>	<p><u>Geographical scale:</u></p> <p>Region</p>	<p>Specified risk for Papua.</p>

	<p>(Marshall and Beehlers, 2007). Most of these ecosystems remain pristine such as those located in the mountain areas in national parks such as Mt. Lorentz, Wasur and Cenderawih.</p> <p>Forest management units located adjacent or close to these areas have an important role to support the long term existence of these natural ecosystems and HCV 3 values. Using the precautionary approach and based on few number of FSC public summary report HCVF assessments done in Papua and forest cover delineation of HCV3 using the HCVF Toolkits' guidance the total size for HCV 3 are as follows (based on forest types): 1) primary forest = 4.993.525 ha, and 2) secondary forest = 1.164.206 ha, 3) plantation forest = 460 ha, and 4) non-forest = 1.764.397 ha. See Annex 5 for Mapped HCV 3 areas in Papua.</p> <p>Threats & Safeguards identification and evaluation</p> <p>With regard to HCV3, Papua has a large extent of unique and threatened ecosystems such as peat swamps, mangroves, savannas, and many others. These ecosystems have been facing serious threats by human activities which mainly stem from the push for regional development which requires the expansion of human settlement and forest opening for agriculture land for food production (Margono et al, 2014).</p> <p>Massive land conversion to extract natural resources such as mining, oil palm, estate for cacao and coffee, forest concession have also been increasing as a result of Rapid Regional Development Program in Papua. Apart from Papua, the government of West Papua has declared itself as Conservation Province and committed to maintain its biodiversity and put in a concerted effort to improve local livelihoods by sustainably managing their natural resources including conserving their unique ecosystems. However, the current trend shows that the regional government is heavily supporting the economy based on the extractive industries including forest management which is often linked to serious negative environmental impacts such as habitat fragmentation and removal.</p> <p>These kind of impacts are often neglected by company owners and it is very rare that preventative or mitigation actions are managed. The latest spatial analysis shows that the road network in Papua has approached more than 2700 km and about 25% of protected areas in Papua are located in less than 20 km from the constructed road (Anggraeni and Watopa, 2004). Once these roads are developed, there are high access points that provide more opportunities for people to enter and fragment the remote forest areas. Today, the regional government of Papua has put their highest development</p>	<p><u>Functional scale:</u></p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	<p>The following risk thresholds are met:</p> <p>(17) HCV3 is identified and/or its occurrence is likely in the area under assessment and it is threatened by forest management activities, AND</p> <p>(18) There is no progress in achieving Aichi biodiversity targets.</p>
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		<p>priority on infrastructure building including road networks especially to connect remote settlements. Forest openings for road networks are also established by oil, mining, logging and oil palm companies. These massive road networks, in general, will cut through and fragment some intact forest and also threatens the presence of HCV3.</p> <p>There is slow progress in achieving Aichi biodiversity targets. Aichi Biodiversity Target No. 11 the goal of 571 conservation areas being implemented has been slow as of 2014, of the 571 conservation areas, 182 have endorsed management plans, 87 with no endorsed management plans, and 252 without management plans. Of the formation Zone/Block 571 conservation areas, 67 have been endorsed, 18 have not been endorsed, and 436 have no zonation/block.</p> <p>HCV 3 is identified in the area under assessment and it is threatened by forest management activities mainly through habitat removal, fragmentation and also illegal logging and there is limited progress by the Indonesian government in achieving its Aichi biodiversity targets thus this indicator is considered Specified risk.</p>		
3.4 HCV 4	7,8	<p>Occurrence</p> <p>Papua's topographic conditions vary from swampy lowlands to highlands with tropical rainforests, savannahs and valleys. The central region is the site of a chain of mountains spanning 650 km. A part of these mountains is the Jayawijaya Mountain range known for its three highest and snow-capped peaks located along the equator. The heights of these mountains are 5,030 m (15,090 ft.), Trikora 5,160 m (15,480 ft.) and Yamin 5,100 m (15,300 ft.). Large rivers and tributaries flow south and north. The Digul River that begins from the depths of Merauke District flow toward the Arafura Sea. Warenai, Wagona and Mamberamo Rivers flow through Jawawijaya, Paniai and Jayapura Districts to the Pacific Ocean. These rivers play an important role for the community throughout their course as sources of water for the community's daily needs, for fishing folks and for transportation. In addition, there are a number of lakes, including the famous Sentani Lake in Jayapura, and Tigi and Paniai Lakes in Nabire and Paniai Districts.</p> <p>As described above, Papua Island is proven to provide natural environmental services that must be protected. HCV 4 areas in Papua Island can be classified into seven subtypes as follows:</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as</p>	<p>Specified risk for Papua.</p> <p>Threshold (22) is met: HCV4 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<ol style="list-style-type: none"> 1. River headwaters (sub watershed), springs, areas with high and very high erosion danger risks 2. Lakes, swamps and/or swamp forests 3. Rivers (river courses and riparian areas) 4. Peat domes and peat hydrological units 5. Mangrove forests 6. Coastlines 7. Areas with slopes > 40% <p>Based on HCV assessment documents, it is observed that HCV 4 are found in areas with protection functions and some are found outside of protected areas.</p> <p>Based on the 2008 HCV Toolkit and 2010 revision and HCV CG for Indonesia, Papua has HCV 4 areas, comprising: 1) primary forests = 31,280,984 ha; 2) secondary forests = 2,648,389 ha; 3) plantation forests = 627 ha; and 4) non-forest areas = 3,951,826 ha. See Annex 5 for mapped HCV 4 areas in Papua.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Threats to HCV 4 presence in Papua comprise the following:</p> <ol style="list-style-type: none"> 1. Land clearing for farms and plantations by communities (also see Category 4 on more details related to threat of forest conversion) <p>Nearly all HCVF reports place threats of land clearing at the top of the list because in addition to the threat of HCVF loss, land clearing effects forest managers negatively due to loss areas that are supposed to be managed as productive forests.</p> <p>Land clearing activities that threaten the presence of HCV 4 areas in cases where these land clearing activities (i) ignore land and water conservation principles, (ii) are done by burning, and (iii) are done along riparian buffer zones. Such activities have led to increased surface runoff and soil erosion. This</p>	<p>private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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		<p>results in river sedimentation which reduced the river's capacity to hold water, and in turn increases floodplain areas.</p> <p>2. Illegal logging around riparian buffers and in river upstream</p> <p>Illegal logging around riparian buffers takes place by taking advantage of local authorities' poor oversight. The facts on the ground indicate that illegal logging is also facilitated by existing road access.</p> <p>3. Road access construction that is not followed by soil and water conservation</p> <p>It was recorded in a number of areas that the source of river sedimentation is used in road constructed for company production access. Currently required civil engineering techniques and structures for soil and water conservation are adhered to in the construction of these roads (e.g. road side pit).</p> <p>Soil erosion causes the surface layer of top soil becomes depleted. The soil erosion causes considerable impact, both at the place of origin of erosion (on-site) and elsewhere (off-site). The impact of soil erosion on site will usually be felt directly by those who manage the land, namely the reduction in the level of productivity of the soil. Declining soil productivity can be characterized by several things such as:</p> <ol style="list-style-type: none"> 1. The loss of soil fertility due to runoff particle-particle or minerals in the soil, making it difficult to clear land for cultivation. 2. Decreased crop yields 3. Increased cost of fertilizer use 4. Decreased ability of soil to absorb water (infiltration). This in turn can lead to increased water runoff on the soil surface and in the end may be flooding. 5. Changes in the structure of the soil 6. Changes in the soil profile 		
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		<p>7. The land became barren</p> <p>The damage caused to the environment off-set also has impacts. Soil erosion will cause sedimentation, resulting in huge losses to the lives around, such as:</p> <ol style="list-style-type: none"> 1. The occurrence of silting of rivers or lakes 2. The accumulation of building and agricultural lands 3. The decline in water quality 4. Inhibits the smooth transportation of water 5. Disruption of aquatic ecosystems (aquatic biodiversity) <p>HCV 4 is identified in the area under assessment and it is threatened by management activities linked to soil erosion and sedimentation impacts and negative impacts on water quality thus indicator is determined as Specified risk.</p>		
3.5 HCV 5	9,10	<p>Occurrence</p> <p>The Papuan indigenous communities still depend largely on natural resources for their livelihoods. Hunting and gathering are still commonly practised by a large portion of Papuan communities. For them, forests are the largest supermarkets that provide for their basic fundamental sustenance.</p> <p>Sago is their staple food which they harvest from coastal sago forests. They also collect tubers, fruits, vegetables, and protein from hunting and fishing. Papuan communities also obtain construction materials, livestock feed and cash income from the forest. Similarly, water for drinking, cooking, and every day needs are obtained from rivers and other water sources near their homes (Antropologi Papua, 2014).</p> <p>Using the precautionary approach and based on FSC public summary reports of HCVF assessments done in Papua, the total area for HCV 5 is as follow (based on forest types): 1) primary forest = 2,393,369 ha; 2) secondary forest = 669,472 ha; 3) plantation forest = 211 ha; and 4) non-forest areas = 1,387,826 ha. See Annex 5 for the HCV 5 points/areas in Papua.</p>	<p><u>Geographical scale:</u> Region</p> <p><u>Functional scale:</u> Protection, production and conservation forests as well</p>	<p>Specified risk for Papua.</p> <p>Threshold (26) is met: HCV5 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>Threats & Safeguards identification and evaluation</p> <p>Tenure conflicts regarding land-based investment such as oil palm plantations, forestry industries (logging concessions and industrial timber plantations) and more recently, food estates, has led to political and security tensions. These issues are constantly tied to political power overlaps between Jakarta and Papua. Merauke Integrated Food and Energy Estate (MIFEE) and industrial timber plantation development in Merauke poses a real threat to the lives of the Malind Anim indigenous peoples.</p> <p>The clash between national and Papuan autonomous policies and laws often create problems regarding the rights of indigenous peoples, customary territories and natural resources.</p> <p>Prior to the government's oil palm plantation moratorium (Government Regulation in press, 2016), in 2010 Papua became a target for a 4 million ha oil palm plantation expansion for the next 10 years. Papua became the main target for expansion because there is no more available land in Sumatra and Kalimantan.</p> <p>The Papuan communities recognise traditional conservation systems and each indigenous group have their own name for such systems. For example, the Biak people have their sasisen, and the Maya indigenous community in Samate (Salawati) refers to this system as rajaha, and the Depapre (Tabla) people use the term takayeti. Although the indigenous communities use different terms, they all mean the same thing and have one common terminology for this traditional conservation system, namely sasi.</p> <p>Constitutional Court Decision No. 35 of 2012 that recognizes customary forest no longer as state forests is an amendment of Law No. 41/1999. This decision must be followed up immediately with implementation of operation policies to resolve tenure issues and threats to customary forests, local wisdom, and spiritual sites within customary territories. This decision also provides legal certainty, territory and control as well as indigenous peoples' participation in protecting and management important HCV 5 sites. The Ministry of Forestry has issued Decree of Minister of Environment and Forestry No. 32/2015 on Private Forests that stipulates the process for customary forest recognition as part of implementing Constitutional Court Decision No. 35.</p>	<p>as private forest land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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3.6 HCV 6	11,12	<p>Occurrence</p> <p>Papua and West Papua Provinces received special autonomy status based on Law No. 21/2001, Government Regulation in Lieu of Law No. 1/2008 and Law No. 35/2008. The Papua Customary Council uses a system to divide customary territories according to the seven customary territories in Papua, especially since these indigenous groups have upheld their unwritten customary law for generations. The Papua customary law is stipulated in the Special Local Government Regulation No. 23/2008. With Indonesia's largest primary forest, and the recognition of indigenous peoples' rights and their customary territories through Special Autonomy Law and Special Local Government Regulation, there is a strong presence of HCV 6 areas in most of Papua. WWF Indonesia has identified significant sites throughout all national parks in Papua.</p> <p>The area of HCV 6 based on forest types are, Primary Forest 26.146.000, Secondary Forest 7.903.980, Plantation Forest 1.883 and Non Forest 7.373.800.</p> <p>Threats & Safeguards identification and evaluation</p> <p>Land tenure conflicts regarding land-based investment such as oil palm plantations, forestry industries (logging concessions and industrial timber plantations) and more recently, food estates, has led to political and security tension. These issues are constantly tied to political power overlaps</p>	<p><u>Geographical scale:</u></p> <p>Region</p> <p><u>Functional scale:</u></p> <p>Protection, production and conservation forests as well as private forest</p>	<p>Specified risk for Papua.</p> <p>Threshold (30) is met: HCV 6 is identified and/or its occurrence is likely in the area under assessment and it is threatened by management activities.</p>

		<p>between Jakarta and Papua. Merauke Integrated Food and Energy Estate (MIFEE) and industrial timber plantation development in Merauke poses a real threat to the lives of the Malind Anim indigenous peoples.</p> <p>The clash between national and Papuan autonomous policies and laws often create problems regarding the rights of indigenous peoples, customary territories and natural resources.</p> <p>As Papua New Guinea's forests are lost and degraded, it also loses its diversity of plants, animals and indigenous people. Some 700 languages—more than 10 percent of Earth's tongues—are spoken in New Guinea, and there are at least as many indigenous societies. When developers including the forestry sector enter a community, tribesmen are often forced to choose between their native way of life or selling their lands. At times tribal elders do not understand that the agreement they sign will take away their livelihood and may spell an end for their culture. They often believe that loggers merely wish to "use" their lands, not convert the forest into scrub or savanna (rainforest.mongabay.com).</p> <p>HCV 6 is identified in the area under assessment and given the number of outstanding land tenure issues linked to indigenous peoples' rights and territories it is deemed that forest management activities including illegal logging activities are threatening HCV 6 values in Papua and thus this indicator is considered Specified risk.</p>	<p>land/farm land.</p> <p>Primary forest, secondary forest, plantations and non-forest areas.</p>	
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Recommended control measures

IMPT: For all below control measures please see the applicable HCV Category map to identify Specified risk areas.

Indicator	Recommended control measures
3.1 HCV 1	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Collaborative management program between unit management and local community(s) to support conservation and local community welfare (Government Regulation No. 36 year 2010) 2. Regular biodiversity monitoring and evaluation

	<ol style="list-style-type: none"> 3. Periodic wildlife survey 4. Installment of information board on HCV conservation areas 5. Conservation campaign to local community and relevant stakeholders 6. Awareness program for local community 7. Routine patrol 8. Hunting and fishing restriction in the areas where HCV1 is present
3.2 HCV 2	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Routine boundary patrol 2. Regular biodiversity monitoring and evaluation 3. Restriction access to forest concession 4. Conservation campaign to local community and relevant stakeholders 5. Awareness program for local community 6. Hunting and fishing restriction in the areas where HCV2 presence 7. Strict control of illegal logging and forest encroachment
3.3 HCV 3	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Conservation campaign program for local community(s) and relevant stakeholders 2. Awareness program for local community(s) 3. Implementation of reduced impact logging to minimize negative environmental impact 4. Regular patrol for controlling access for hunting and gathering 5. Monitoring and evaluation 6. Hunting and fishing restriction in the areas where HCV3 is present 7. Rehabilitation and restoration program involving local community(s) and NGO

	8. Strong collaboration with local and international NGOs
3.4 HCV 4	<p>Evidence of:</p> <ol style="list-style-type: none"> 1. Regular biodiversity monitoring and evaluation 2. Stream buffer area monitoring and evaluation 3. Installment of information board on conservation HCV areas 4. Conservation campaign to local community(s) and relevant stakeholders 5. Awareness program for local community (s) 6. Restriction to areas where HCV4 are present
3.5 HCV 5	<p>Verifier:</p> <p>Some NGOs in Sulawesi are doing advocacy work for indigenous peoples rights. Such as Perkumpulan Wallace, YMP Palu (Yayasan Merah Putih, and Bantaya. National NGOs, are WALHI, AMAN, JKPP (Participation Mapping network), Samdhana Institute, Epistema n Huma are acting as indigenous rights policy and law watchdogs.</p> <p>To get additional confirmation there is a concern with HCV 5 values connected to indigenous communities located in areas identified on the HCV 5 map for Papua one could outreach to one or more of the above NGOs.</p> <p>Control measures which include evidence of:</p> <ul style="list-style-type: none"> • Continued to support Customary communal rights through adhering to local and national regulations, as evidence through conservation HCV 5 set-aside areas • Demonstrated local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). • Demonstrated community development and livelihoods projects (e.g. employment and healthcare) support • Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks) • Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous forest cover f which the limit impact on potential species or areas that important for local livelihoods) • Infrastructure planning (e.g. improved road building)

	<ul style="list-style-type: none"> • Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife) • Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives)
3.6 HCV 6	<p>Verifier:</p> <p>Some NGOs in Sulawesi are doing advocacy work for indigenous peoples rights. Such as Perkumpulan Wallace, YMP Palu (Yayasan Merah Putih, and Bantaya. National NGOs, are WALHI, AMAN, JKPP (Participation Mapping network), Samdhana Institute, Epistemon Sema are acting as indigenous rights policy and law watchdogs.</p> <p>To get additional confirmation there is a concern with HCV 6 values connected to indigenous communities located in areas identified on the HCV 6 map for Papua one could outreach to one or more of the above NGOs.</p> <p>Control measures which include evidence of:</p> <ul style="list-style-type: none"> • Continued to support Customary communal rights through adhering to local and national regulations, as evidence through conservation HCV 6 set-aside areas • Demonstrated local government and NGO support (e.g. extending or renewing leases, preventing inappropriate development, supporting company conservation initiatives). • Demonstrated community development and livelihoods projects (e.g. employment and healthcare) support • Restoration (e.g. remediation of previous damage to ecosystems, reintroduction of hunted species, creation of wildlife corridors between forest blocks) • Reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous forest cover which limit the impact on potential species or areas that important for local people's cultural, historical and spiritual sites) • Infrastructure planning (e.g. improved road building) • Scheduling of operations (e.g. planning logging coupe schedules to benefit wildlife) • Control of hunting and fishing (e.g. managing access and methods, providing affordable protein alternatives)

Information sources

No.	Source of information	Relevant HCV category and indicator
1	<ol style="list-style-type: none"> 1. Wikimedia commons (2004). Lesser Bird of Paradise. Available at: commons.wikimedia.org/wiki/File:Lesser_Bird_of_Paradise 2. Soerianegara, I. dan RHMJ. Lemmens (eds.). (2002). Sumber Daya Nabati Asia Tenggara 5(1): Pohon penghasil kayu perdagangan yang utama. PROSEA – Balai Pustaka. Jakarta. ISBN 979-666-308-2. Hal. 283-289 3. WWF (N.Y). Papua. Available at: http://www.wwf.or.id/program/wilayah_kerja_kami/papua/ 	HCV 1 Occurrence
2	<ol style="list-style-type: none"> 1. Wikimedia commons (2004). Lesser Bird of Paradise. Available at: commons.wikimedia.org/wiki/File:Lesser_Bird_of_Paradise 2. IDEAS (2015). Identifikasi Nilai Konservasi Tinggi PT. Bintuni Utama Murni Wood Industries, April 2015. Bogor: Ideas Consultancy Services. 3. Re-mark Asia (2014). Laporan Identifikasi dan Penilaian Hutan Bernilai Konservasi Tinggi High Conservation Value Forest IUPHHK-HA PT Mitra Pembangunan Global (PT MPG) Distrik Kais, Aifat Timur dan Aifat Selatan dan Maybrat, Propinsi Papua Barat, Indonesia. Bogor: Re-Mark Asia. 4. Re-mark Asia (2014). Laporan Identifikasi Kawasan Nilai Konservasi Tinggi (HCV Identification) PT MULTI WAHANA WIJAYA Kabupaten Tambraw Provinsi Papua Barat. Bogor: Re-Mark Asia. 5. Re-mark Asia (2014). Laporan Identifikasi Nilai Konservasi Tinggi PT Permata Putera Mandiri Kabupaten Sorong Selatan, Propinsi Papua Barat, Indonesia. Bogor: Re-Mark Asia. 6. Tempo.co. (2010). Pembalak Liar Hutan Papua Ditangkap. Tempo.co. Available at: https://nasional.tempo.co/read/news/2010/06/20/063256901/pembalak-liar-hutan-papua-ditangkap 	HCV 1 Threats

	<ol style="list-style-type: none"> 7. Anggraeni, D. and Watopa, Y., (2004). Kajian singkat Konservasi dan Ekonomi (RACE). Suatu usaha untuk memadukan kepentingan konservasi dan pembangunan ekonomi di Tanah Papua. Conservation International, Indonesia. 8. Pattiselano, F and Arobaya, AYS., (2014). The future of Papua's biodiversity is alarming. The Jakarta Post. Manokwari, West Papua. Ed: Mon, December 1 2014. Available at: http://www.thejakartapost.com/news/2014/12/01/the-future-papua-s-biodiversity-alarming.html 9. WWF (2015). Deklarasi Papua Barat sebagai Provinsi Konservasi. 19.October 2015. Available at: http://www.wwf.or.id/?42763/Deklarasi-Papua-Barat-sebagai-Provinsi-Konservasi 10. Greenpeace.org (N.Y). Pertahanan Terakhir Merbau. Cara Industri Pembalakan Menacu Penghancuran Hutan Surawai Asia Pasifik. Available at: http://www.greenpeace.org/seasia/id/Global/seasia/report/2007/9/pertahanan-terakhir-merbau-car.pdf 11. DTE (2002). Penebangan Kayu di Papua Barat. Down to Earth Nr. 55. November 2002. Vailable at: http://www.downtoearth-indonesia.org/id/story/penebangan-kayu-di-papua-barat 12. jeratpapua.org (2015). Masalah Eksploitasi Sumber Alam di Papua, pada Januari 2015. Available at: http://www.jeratpapua.org/2015/03/10/masalah-eksploitasi-sumber-alam-di-papua-pada-januari-2015/ 13. Cahayapapua.com (2014). Tragedi Emas di Degeuwo. Available at: http://www.cahayapapua.com/tragedi-emas-di-degeuwo/ 14. Greeners.co (2016). Cendrawasih Kuning Kecil, Burung Surga yang Tersesat di Ibukota. Available at: http://www.greeners.co/flora-fauna/cendrawasih-kuning-kecil-burung-surga-tersesat-ibukota/ 15. Id.wikipeda.org (2016). Cenderawashi botak. Available at: https://id.wikipedia.org/wiki/Cenderawasih_botak 16. Kang Daeng Naba (2012). Buah Merah “Si Penyembuh Nan Ajaib”. 04.05.2012. Available at: http://kangdaengnaba.blogspot.co.id/2012/05/tumbuhan-endemik-papua.html 17. Alamendah.org (2014). Jenis Anggrek Spesies Papua dan gambar. 28.08.2014. Available at: https://alamendah.org/2014/08/28/jenis-anggrek-spesies-papua-dan-gambar/ 	
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	<p>18. Sudarmono (2011). Inventarisasi Tumbuhan Endemik Di Pulau Waigeo, Kabupaten Raja Ampat, Provinsi Papua Barat (An Inventory of Endemic Plant in Waigeo Island, Raja Ampat Regency, West Papua Province). Inventarisasi Tumbuhan Endemik di Pulau Waigeo. Global Volume 13. No. 1 Juni 2011: 78-84. Available at: http://jurnal.big.go.id/index.php/GL/article/viewFile/109/106</p> <p>19. WWF (2010). Peningkatan kapasitas pengelolaan hutan bagi masyarakat hukum adat Papua. WWF, 15 March 2010. Available at: http://www.wwf.or.id/?18500/Peningkatan-kapasitas-pengelolaan-hutan-bagi-masyarakat-hukum-adat-Papua</p>	
3	<p>1. Bintang Pratama, A., (2015). Menteri Siti: Pembalakan Liar Kejahatan Setingkat Terorisme. CNN Indonesia. 27/02/2015. Available at: http://www.cnnindonesia.com/nasional/20150227025909-20-35254/menteri-siti-pembalakan-liar-kejahatan-setingkat-terorisme/ (Jumat, 27/02/2015 08:14 WIB)</p> <p>2. Prayitno, S.W.M., Manusawai, J. and Witjaksono, W. (2002). Pemanfaatan Tumbuhan Mangrove bagi Kehidupan Masyarakat Suku Inanwatan di Kabupaten Sorong. Beccariana 4(2): 79–92.</p>	HCV 2 Occurrence
4	<p>1. Bintang Pratama, A., (2015). Menteri Siti: Pembalakan Liar Kejahatan Setingkat Terorisme. CNN Indonesia. 27/02/2015. Available at: http://www.cnnindonesia.com/nasional/20150227025909-20-35254/menteri-siti-pembalakan-liar-kejahatan-setingkat-terorisme/ (Jumat, 27/02/2015 08:14 WIB)</p> <p>2. IDEAS (2015). Identifikasi Nilai Konservasi Tinggi PT. Bintuni Utama Murni Wood Industries, April 2015. Bogor: Ideas Consultancy Services.</p> <p>3. Re-mark Asia (2014). Laporan Identifikasi dan Penilaian Hutan Bernilai Konservasi Tinggi High Conservation Value Forest IUPHHK-HA PT Mitra Pembangunan Global (PT MPG) Distrik Kais, Aifat Timur dan Aifat Selatan dan Maybrat, Propinsi Papua Barat, Indonesia. Bogor: Re-Mark Asia.</p> <p>4. Re-mark Asia (2014). Laporan Identifikasi Kawasan Nilai Konservasi Tinggi (HCV Identification) PT MULTI WAHANA WIJAYA Kabupaten Tambraw Provinsi Papua Barat. Bogor: Re-Mark Asia.</p> <p>5. Re-mark Asia (2014). Laporan Identifikasi Nilai Konservasi Tinggi PT Permata Putera Mandiri Kabupaten Sorong Selatan, Propinsi Papua Barat, Indonesia. Bogor: Re-Mark Asia.</p>	HCV 2 Threats

	<p>6. Anggraeni, D. and Watopa, Y. (2004). Kajian singkat Konservasi dan Ekonomi (RACE). Suatu usaha untuk memadukan kepentingan konservasi dan pembangunan ekonomi di Tanah Papua. Conservation International, Indonesia.</p> <p>7. Nabire.net (2013). Kelestarian Hutan Di Papua Terancam Akibat Pertambangan Ilegal. 17. September 2013. http://www.nabire.net/kelestarian-hutan-di-papua-terancam-akibat-pertambangan-ilegal/</p>	
5	<p>1. Marshal, A.J and Beehler, B.M. (editors) (2007). The Ecology of Papua. {Art 1 and 2. Periplus International – Conservation International. 2007</p> <p>2. WWF (2006). Pengalaman Pengelolaan Hutan oleh Kopermas di Tanah Papua. August 2016. Available at: http://www.wwf.or.id/2900/</p>	HCV 3 Occurrence
6	<p>1. Pattiselanno, F and A.Y.S. Arobaya. (2013). Managing tropical forest for Indonesian Papuan's livelihood. Institute of Foresters of Australia National Conference 7–11 April 2013 Canberra</p> <p>2. Anggraeni, D. and Watopa, Y., (2004). Kajian singkat Konservasi dan Ekonomi (RACE). Suatu usaha untuk memadukan kepentingan konservasi dan pembangunan ekonomi di Tanah Papua. Conservation International, Indonesia.</p> <p>3. Noviani, A. (2015). Perusahaan Kayu Bakau Papua Kantongi Sertifikat FSC. Industri.bisnis.com. 06.11.2015. http://industri.bisnis.com/read/20151106/99/489656/perusahaan-kayu-bakau-papua-kantongi-sertifikat-fsc</p> <p>4. Margono, B. A., Potapov, P. V., Turubanova, S., Stolle, F., & Hansen, M. C. (2014). Primary forest cover loss in Indonesia over 2000-2012. Nature Climate Change.</p>	HCV 3 Threats
7	<p>1. Government Decree No. 38 of 2011 concerning Rivers</p> <p>2. Government Decree No. 28 of 2011 concerning Sanctuary Reserves and Nature Conservation areas</p> <p>3. Decree of Minister of Public Works and Housing No. 28/PRT/M/2015</p> <p>4. Decision Letter of Minister of Agriculture No. 837/KPTS/UM/11/80</p> <p>5. Government Regulation No. 27 of 2012 concerning Environmental Permits</p>	HCV 4 Occurrence

	6. Remark Asia (2014). PT WAPOGA HCVF Assessment Report. Papua. 2014. 7. Remark Asia (2014). PT Multi Wahana Wijaya HCVF Assessment Report. Papua. 2014. 8. Remark Asia (2016). PT Jati Darma Wood Industry HCVF Assessment Report. Papua. 2016. 9. IDEAS (2015). PT Bintuni Utama Murni Wood Industries HCVF Assessment Report. West Papua. 2015. Ideas	
8	1. Government Decree No. 38 of 2011 concerning Rivers 2. Government Decree No. 28 of 2011 concerning Sanctuary Reserves and Nature Conservation areas 3. Decree of Minister of Public Works and Housing No. 28/PRT/M/2015 4. Decision Letter of Minister of Agriculture No. 837/KPTS/UM/11/80 5. Government Regulation No. 27 of 2012 concerning Environmental Permits 6. Remark Asia (2014). PT WAPOGA HCVF Assessment Report. Papua. 2014. 7. Remark Asia (2014). PT Multi Wahana Wijaya HCVF Assessment Report. Papua. 2014. 8. Remark Asia (2016). PT Jati Darma Wood Industry HCVF Assessment Report. Papua. 2016. 9. IDEAS (2015). PT Bintuni Utama Murni Wood Industries HCVF Assessment Report. West Papua. 2015. Ideas 10. Mongabay.org (N.Y). Papua New Guinea. Available at: http://rainforests.mongabay.com/20png.htm	HCV 4 Threats
9	1. Sukoyo, Y. (2016). Pemerintah Akan Verifikasi Batas Wilayah Tanah Adat Rakyat Papua. Berita Satu. , 23. June 2016. Available at: http://www.beritasatu.com/nasional/371481-pemerintah-akan-verifikasi-batas-wilayah-tanah-adat-rakyat-papua.html 2. Beduli Papua (N.Y). 7 (Tujuh) Wilayah Adat di Papua. Community Care Papua. Available at: http://communitycarepapua.blogspot.co.id/2015/03/7-tujuh-wilayah-adat-di-papua-peta.html 3. Ohee, A., D., (2016). Para Kepala Suku Tujuh Wilayah Adat Papua akan Gelar Musyawarah. http://kabarpapua.co/para-kepala-suku-tujuh-wilayah-adat-papua-akan-gelar-musyawah/	HCV 5 Occurrence

	<ol style="list-style-type: none"> 4. Maulida, P. (2018). Pemetaan Tempat Penting Di Meauke. WWF Indonesia. 14. May 2018. Available at. http://gis.wwf.or.id/wwf/index.php/pemetaan-tempat-penting-di-merauke/ 5. IDEAS (2015). PT Bintuni Utama Murni Wood Industries HCV Assessment Report. April 2015. Bogor: Ideas Consultancy Services. 6. Re-Mark Asia (2015). Identification and Analysis of HCVF Presence in PT Mitra Pembangunan Global (PT MPG) Industrial Timber Plantation Business Concession for Utilising Timber Forest Products for Natural Forest (IUPHHK-HA) in Kais, East Aifat, South Aifat, and Maybrat Districts, West Papua Province, Indonesia. Bogor: Re-Mark Asia. 7. Re-Mark Asia (2014). HCV Identification Report for PT MULTI WAHANA WIJAYA, Tambraw District, West Papua Province, Indonesia. Bogor: Re-Mark Asia. 8. Re-Mark Asia (2014). HCV Identification Report for PT Permata Putera Mandiri, South Sorong District, West Papua Province, Indonesia. Bogor: Re-Mark Asia. 9. Bina Balantak Utama (N.Y). www.binabalantak.com 10. Mansoben, Johszua Robert (2003). "Konservasi Sumber Daya Alam Papua Ditinjau Dari Aspek Budaya." Konservasi Sumber Daya Alam Papua (2003): 	
10	<ol style="list-style-type: none"> 1. Mollins, J. (2014). Renecana perkehunan sawit di Papua mungkin akan lebih menguntungkan para migran studi. Forestnewsc.cifor.org. 21.05.2014. Available at. http://blog.cifor.org/22628/rencana-perkebunan-kelapa-sawit-di-papua-mungkin-akan-lebih-menguntungkan-para-migran-ketimbang-penduduk-lokal-laporan?fnl=id 2. Arumunbgtyas, L. And Saturi, S. (2016). Kebijakan Moratorium Sawit dan Tambang Target Keluar Juni, Bagaimana Proses Evaluasi Perizinan? Mongabay. Jarkata, 2. June 2016. Available at: http://www.mongabay.co.id/2016/06/02/kebijakan-moratorium-sawit-dan-tambang-target-keluar-juni-bagaimana-proses-evaluasi-perizinan/ 3. Arumingtyas, L. (2016). Pemerintah Prioritas Rampungkan Aturan Moratorium Sawit. Mongabay. Jakarta. 11. July 2016. Available at: http://www.mongabay.co.id/2016/07/11/pemerintah-prioritas-rampungkan-aturan-moratorium-sawit/ 	HCV 5 Threats

	<ol style="list-style-type: none"> Instruksi Presiden Republik Indonesia No. 8 Tahun 2015. Tentang. Penundaan Pemberian Izin Baru dan Penyempurnaan tata Kelola Hutan Alam Primer dan Lahan Gambut. Available at: http://www.menlh.go.id/wp-content/uploads/2015/05/INSPRES-NOMOR-8-2015-1.pdf Mansoben, Johszua Robert (2003). "Konservasi Sumber Daya Alam Papua Ditinjau Dari Aspek Budaya." Konservasi Sumber Daya Alam Papua (2003): 1. 	
11	<ol style="list-style-type: none"> Sukoyo, Y. (2016). Pemerintah Akan Verifikasi Batas Wilayah Tanah Adat Rakyat Papua. Berita Satu. , 23. June 2016. Available at: http://www.beritasatu.com/nasional/371481-pemerintah-akan-verifikasi-batas-wilayah-tanah-adat-rakyat-papua.html Beduli Papua (N.Y). 7 (Tujuh) Wilayah Adat di Papua. Community Care Papua. Available at: http://communitycarepapua.blogspot.co.id/2015/03/7-tujuh-wilayah-adat-di-papua-peta.html Ohee, A., D., (2016). Para Kepala Suku Tujuh Wilayah Adat Papua akan Gelar Musyawarah. http://kabarpapua.co/para-kepala-suku-tujuh-wilayah-adat-papua-akan-gelar-musyawah/ Maulida, P. (2018). Pemetaan Tempat Penting Di Meauke. WWF Indonesia. 14. May 2018. Available at. http://gis.wwf.or.id/wwf/index.php/pemetaan-tempat-penting-di-merauke/ IDEAS (2015). PT Bintuni Utama Murni Wood Industries HCV Assessment Report. April 2015. Bogor: Ideas Consultancy Services. Re-Mark Asia (2015). Identification and Analysis of HCVF Presence in PT Mitra Pembangunan Global (PT MPG) Industrial Timber Plantation Business Concession for Utilising Timber Forest Products for Natural Forest (IUPHHK-HA) in Kais, East Aifat, South Aifat, and Maybrat Districts, West Papua Province, Indonesia. Bogor: Re-Mark Asia. Re-Mark Asia (2014). HCV Identification Report for PT MULTI WAHANA WIJAYA, Tambraw District, West Papua Province, Indonesia. Bogor: Re-Mark Asia. Re-Mark Asia (2014). HCV Identification Report for PT Permata Putera Mandiri, South Sorong District, West Papua Province, Indonesia. Bogor: Re-Mark Asia. Bina Balantak Utama (N.Y). www.binabalantak.com 	HCV 6 Occurrence

12	<ol style="list-style-type: none"> 1. Franky, Y., L.(N:Y). mega Proyek MIFEE: Suku Malind Anim den Pelanggaran HAM. ELSAM. Available at. http://referensi.elsam.or.id/wp-content/uploads/2014/12/Mega-Proyek-MIFEE-Suku-malin-Animdan-Pelanggaran-HAM.pdf 2. health.kompas.com (2011). Potensi Kinflik MIFEE. 13.10.2011. Available at: http://health.kompas.com/read/2011/10/13/02584047/potensi.konflik.miffee 3. Belau, A. (2016). MIFEE dan Ancaman Eksistensial Masyarakat Papua. 18.06.2016. Available at: http://suarapapua.com/2016/06/18/miffee-dan-ancaman-eksistensial-masyarakat-papua/ 4. Omona, J. (2014) Mencari Hutan Senegi, Merauke. Jeratpapua. 30.05.2014. Available at: http://www.jeratpapua.org/2014/05/30/mencari-hutan-senegi-merauke/ 5. Mongabay (N.Y). Papua New Guinea. Available at: http://rainforests.mongabay.com/20png.htm 	HCV 6 Threats
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Controlled wood category 4: Wood from forests being converted to plantations or non-forest use

Risk assessment

Indicator	Sources of information	Functional scale	Risk designation and determination
4.1 Conversion of natural forests to plantations or non-forest use in the area under assessment is less than 0.02% or 5000 hectares average net annual loss for the past 5 years (whichever is less),	<ul style="list-style-type: none"> Act No 41 Year 1999 on Forestry. https://thereddesk.org/sites/default/files/uu41_99_en.pdf Government regulation No 6 year 2007 on Forest Layout, Forest Management Planning and Forest Use. Government Regulation No 3/2008 Forest Management Plan http://www.flevin.com/id/lgso/translati ons/Laws/Law%20No.%208%20of%202010 %20on%20Prevention%20and%20Eradicati on%20of%20Money%20Laundering%20(M oF).pdf Government Regulation 10/2010 on <i>Procedures for Changes of Use and Function For Forests</i> - http://extwprlegs1.fao.org/docs/pdf/ins97651.pdf Regulation No 18/2003 on Prevention and Elimination of Forest Destruction http://faolex.fao.org/docs/pdf/ins137703.pdf 	Country	<p>Assessment based on legality</p> <p><i>Content of law</i></p> <p>Despite the current moratorium on new concession licenses, it is still legally possible to convert forests, as regulated by the Forest Act and related acts listed in the 'Source of information' column. According to the law, the conversion of natural forests (or change of forest function) is permitted as long as certain conditions are met.</p> <p>Government Regulation No. 10/2010 his Regulation stipulates procedures for changes in the designation and function of forest areas. It covers changing the designation of conservation forests (incl. wildlife reserves and nature conservation areas) and production forests (incl. limited production forests, permanent production forests and convertible production forests).</p> <p>Regulation 10/2010 states in Chapter II that changes in <u>forests area</u> can only be stipulated by the Minister, based on integrated research. Applications for a <i>partial</i> change in forest area can be made by a minister or official; governor, regent or mayor; corporate bodies or foundations (Article 8 and 9). Partial changes in forest area are either a "swap" (i.e. land is converted but replaced elsewhere) or "release"</p> <p>"Swap" scenarios are regulated by Regulation 10/2010 Articles 7 and 11-18. According to those articles, this type of conversion can only take place in the permanent production forest or the limited production forest.</p>

<p>OR</p> <p>Conversion is illegal at the national or regional level on public and private land</p>	<p>References:</p> <ul style="list-style-type: none"> • Mongabay, 2014. Laporan EIA Ungkap Kayu-kayu Ilegal dari Kebun (The EIA Report Reveals Illegal Timber from Palm Oil) Available: http://www.mongabay.co.id/2014/12/17/laporan-eia-ungkap-kayu-kayu-ilegal-dari-kebun-sawit/ Accessed 12 October 2018. • EIA, 2014. Palm Oil Plantations Crime Drives Illegal Logging in Indonesia. Available: http://eia-international.org/palm-oil-plantation-crime-drives-illegal-logging-in-indonesia. Accessed: 12 October 2018. • European Parliament Resolution on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Indonesia on Forest Law Enforcement, Governance and Trade in timber products into the European Union (2013/2990(RSP)) - http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B7-2014-0187+0+DOC+XML+V0//EN • WWF, 2017. Palm oil & forest conversion. http://wwf.panda.org/what_we_do/footprint/agriculture/palm_oil/environmental_impacts/forest_conversion/. • Environmental Investigation Agency (EIA) (2014). Permitting Crime: How palm oil expansion drives illegal logging in Indonesia. Available at http://eia- 		<p>The substituted land must be afforested within 1 year of the permit for the swap being issued and the applicant bears all costs for the reforestation and subsequent delineation (or recognition/classification of the new forest area). There are requirements about what kind of land can be subject to swaps, and different scenarios for how much land must be afforested, set out in Article 13. At a minimum the swap area must be 1 to 1 the area of the original forest. It is important to note that the planting of an industrial plantation is considered afforestation in Indonesia (Jong 2018)</p> <p>“Release” of forest area can only take place in the convertible production forest (Art 19 of Regulation 10/2010). This type of conversion cannot take place in provinces with forest cover of less than 30 per cent.</p> <p>Regulation 10/2010 prohibits conversion of natural forest to plantation above a certain threshold. It sets the limit of maximum conversion of an area of 20 m³/ha of trees with diameter of more than 20cm.</p> <p>Regulation 10/2010 also regulates the changing of <u>forest function</u> in Chapter III. This part regulates changing of existing designated forests between functions i.e. from a conservation forest to a production forest. Again, it is worth noting that reforestation of land to plantations within the production forest is not considered conversion of land under Indonesian law.</p> <p>Three types of permits are required in the conversion of forests that result in timber production:</p> <ol style="list-style-type: none"> 1. Conversion Permit (from the District Government for conversion of Non-Forest Area or from the Ministry of Environment and Forestry for conversion of Forest Area) 2. Timber Utilization Permit (Permits Granted to Utilized Non-Forest Area (by Head of District Government); Permits Granted to convert Production Forest designated/allocated to non-forestry sectors development (by Ministry of Forestry based on District
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	<p>international.org/wp-content/uploads/Permitting-Crime.pdf [Accessed 13 September 2016].</p> <ul style="list-style-type: none"> • FAO, 2014. Global Forest Resources Assessment 2015 – Country Report, Indonesia. Rome. Available at: http://www.fao.org/3/a-i4808e.pdf [last accessed on 18 September 2018] • Jong, H for Mongabay, 2018. Is a plantation a forest? Indonesia says yes, as it touts a drop in deforestation. Available at https://news.mongabay.com/2018/01/counting-plantations-as-forests-indonesia-claims-decline-in-deforestation/. Accessed 12 October 2018. 		<p>and Provincial Government Recommendation) and Permits granted for temporary used of forest area (by Ministry of Forestry based on District and Provincial Government Recommendation).);</p> <p>3. Timber Legality License (from the Verification Body)</p> <p>For conversion of land to other uses (i.e. and especially palm oil plantations), the following documents must be in place (EIA 2014):</p> <ol style="list-style-type: none"> 1. IZIN LOKASI Location Permit: The first significant step in the process is to apply for a Location Permit. The application is made to the regent or provincial governor (if the proposed concession straddles two regencies), outlining how it complies with relevant spatial plans. If it is successful the regent or governor issues the permit, providing the company with the right to negotiate to acquire land within a given area, commonly with both rural rightsholders and the MoF. The company must acquire at least 51 per cent of the land within the concession within three years or the permit expires. 2. ANALISIS MENGENAI DAMPAK LINGKUNGAN (AMDAL) Environmental Impact Assessment: The AMDAL is a process by which the social and environmental impacts of a plantation are identified and mitigated. Four documents are produced, including the ANDAL, which outlines in detail the findings of field assessments. The documents are assessed by an AMDAL commission, formed by the regency or provincial Environment Agency. The commission should include NGOs, academics, community representatives and government officials. Once the AMDAL documents are approved by the commission the regent or governor can issue an Izin Lingkungan, or Environmental Permit. Operating without a required Environmental Permit is a criminal offence under Law 32/2009 on Environmental Protection and Management (the Environmental Law).
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			<p>3. IZIN USAHA PERKEBUNAN (IUP) Plantation Business Permit: The Plantation Business Permit, or IUP, grants the company the right to operate on land within the Location Permit that has been legally acquired. In order to obtain the IUP, companies must make an application to the regent or governor, submitting a range of documents, including the AMDAL. Since 2007, at least 20 per cent of the IUP area must be developed in ways that financially benefit the local community, commonly through smallholdings.</p> <p>4. SK PELEPASAN KAWASAN HUTAN (SK-PKH): Decree of Forest Estate Release If the planned concession falls within the kawasan hutan, or Forest Estate, it must be released by the MoF prior to land clearing. Operating within the Forest Estate, prior to completing this process, is a criminal offence under the Forestry Law. Companies must make an application to the Minister of Forestry, who may relinquish the Ministry's claim to the land by issuing a Decree of Forest Estate Release (SK-PKH).</p> <p>5. IZIN PEMANFAATAN KAYU (IPK) Timber Utilisation Permit: Prior to land clearing a timber survey is carried out within a sample area of the concession. Companies must pay taxes on timber stands if there is at least 50m³ of timber composed of trees with a diameter of more than 30cm across the whole concession. If an IUP and SK-PKH have been issued, the regency Forestry Agency can issue an IPK permit providing rights to harvest a given volume of timber over a part of the concession. The IPK permit is valid for one year and can be extended once.</p> <p>6. HAK GUNA USAHA (HGU) Land Use Rights: The HGU is issued when all available land within the Location Permit has been acquired in compliance with the Location Permit regulation. It</p>
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			<p>effectively rounds off the permit process, providing the company with tenure within a given boundary for 35 years.</p> <p><i>Is the law enforced?</i></p> <p>Conversion of forest land happens in the forestry sector and mostly in the agriculture and mining sector. There is evidence of palm oil companies and mining companies carrying out widespread conversion, as well as evidence of bribery, and absence of control by authorities (Mongabay 2014, EIA 2014, WWF 2017). There are cases of police reporting illegal conversion by a palm oil company being bribed to close the case (see the 2014 EIA report for detailed case information). According to EIA, rates of illegality in relation to palm oil concessions is as high as 89 per cent, and “the most common violation identified was clearing outside concession boundaries, which occurred in 61 per cent of cases. Companies had also routinely begun clearance before obtaining all necessary permits and illegally encroached on peatlands.”</p> <p>According to European Parliament Resolution B7-0187/2014, the EC "Considers the issue of forest conversion to be an ongoing problem in Indonesia's land-use governance system; regrets the fact that at present the SVLK is not auditing the process whereby concessions for forest conversion are granted to undertakings, especially as regards the completion of environmental impact assessments (AMDALs) and compliance with restrictions imposed as part of the process for obtaining a forest conversion permit (IPK)".</p> <p>In conclusion, illegal conversion of forests (largely for oil palm concessions) is a huge factor in Indonesia. In addition to illegal conversion, legal conversion of forest will continue on a massive scale, because there is no mutually agreed land use planning based on the calculation of cost and benefit of the value of forest compared to non-forest use/plantation forest.</p>
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			<p><i>Is it possible to conclude that the spatial threshold (0.02% or 5000 ha) can be met by assessing the enforcement of legislation?</i></p> <p>No, the law does not prohibit conversion to the outcomes of the indicator. In addition, there is evidence that illegal conversion is taking place.</p> <p>Assessment based on spatial data</p> <p><i>Is it possible to conclude that the spatial threshold (0.02% or 5000 ha) is met?</i></p> <p>According to the Global Forest Resources Assessment 2015 for Indonesia prepared by FAO, the forest area in Indonesia decreased by 3,565,000 ha between the years 2010 and 2015 (from 89,629,000 ha to 86,064,000 ha), with an annual change rate of 713,000 ha/year. There is no clear data available about how much natural forest was converted to plantations or non-forest uses, but the naturally regenerated forest area decreased by 1,143,000 ha between 2010 and 2015 (from 47,167,000 ha to 46,024,000 ha), and the primary forest decreased by 2,422,000 ha in the same period of time (from 42,462,000 ha to 40,040,000 ha). Furthermore, planted forest increased from 4,803,000 ha to 4,946,000 ha (143,000 ha) between 2010 and 2015, which represents an annual increase of 28,600 ha/year.</p> <p>Based on the spatial data provided above, conversion of natural forests to plantations or non-forest use in the area under assessment is above the threshold of 0.02% or 5000 hectares average net annual loss.</p> <p>Risk designation: Specified risk.</p> <p>The following 'specified risk' thresholds are met:</p>
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			<p>(4) There is more than 5000 ha net average annual loss or there is more than 0.02% net average annual loss of natural forest in the assessment area in the past 5 years; AND</p> <p>(7) There are significant economic drivers for conversion. Data yield evidence that conversion is occurring on a widespread or systematic basis.</p>
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Recommended control measures

Intentionally left blank – Organizations shall evaluate and devise appropriate control measures to mitigate the risks identified in this risk assessment as applicable.

Controlled wood category 5: Wood from forests in which genetically modified trees are planted

Risk assessment

Indicator	Sources of information	Functional scale	Risk designation and determination
5.1 There is no commercial use of genetically modified trees.	<ul style="list-style-type: none"> Puspita Deswina and Bambang Prasetya, Development of GMO in Indonesia (a review). Biotechnology Research Center, LIPI. www.academia.edu/592635/Development_of_GMO_in_Indonesia_A_review Titi Rahayu for the USDA Foreign Agricultural Service, 2015. Indonesia - Agricultural Biotechnology Annual – 2015. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_7-14-2015.pdf Thom Wright and Titi Rahayu for the USDA Foreign Agricultural Service, 2016. Indonesia - Agricultural Biotechnology Annual – 2016. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_11-18-2016.pdf Indonesia Biosafety Clearing House: http://indonesiabch.or.id/regulasi/ Government Regulation (PP No. 21 Year 2005) - http://extwprlegs1.fao.org/docs/pdf/ins60788.pdf 	Country	<p>Low risk</p> <p>The following 'low risk' thresholds are met:</p> <p>(2) There is no commercial use of GM tree species in the area under assessment, AND</p> <p>(3) Other available evidence does not challenge 'low risk' designation.</p> <p>Description and justification</p> <p>Governmental Regulation (GR) No. 21 of 2005 on GMO Biosafety and Presidential Regulation (PR) No. 39 of 2010 about on the Commission of Biosafety of GMO, regulate GMOs in Indonesia. Both of these regulations confirm that any GMO that will be commercialized in Indonesia must pass the biosafety assessment in accordance with the precautionary principle on Cartagena Protocol.</p> <p>Government Regulation (PP No. 21 Year 2005) creates environmental safety, food safety and/or the safety of food for genetic engineering products (PRG), and utilization of PRG in the fields of agriculture, fishery, forestry, industry, etc. The Regulation consists of 10 Chapters divided into 37 articles:</p> <p>General provisions (I); PRG types and the required conditions (II); PRG research and development (III); Introduction of PRG</p>

	<ul style="list-style-type: none"> • Law No. 21 of 2005 Ratifying the Cartagena Protocol on Biodiversity - http://www.bpkp.go.id/uu/filedownload/2/39/227.bpkp • Presidential Regulation (PR) No. 39 of 2010 about on the Commission of Biosafety of GMO • Environmental Protection and Management Act (Law No 32 /2009) http://extwprlegs1.fao.org/docs/pdf/ins97643.pdf • Deswina P, Syarief R, Rachman LM and Herman M, 2013. Policy Analysis of Sustainable GMO Management Using Decision Making Method in Indonesia. Adv Genet Eng 2: 107. http://dx.doi.org/10.4172/2169-0111.1000107 		<p>from foreign countries (IV); Assessment, release and circulation, and utilization of PRG. This regulation is an improvement or refinement of the previous rules of the Four Ministers Joint Decree year 1999 and specifically designed to regulate biotechnology products of genetic engineering in Indonesia. In this regulation it has been determined that every person who conducts research and development on biotechnology products must prevent and / or overcome the negative impact of its activities on human health and the environment.</p> <p>The National Biosafety Commission on Genetically Engineered Product (BCGEP) is responsible for providing biosafety recommendations, suggestions, and considerations of GE products to the authorized ministries. The BCGEP, which was established in 2010 based on Presidential Regulation No. 39/2010, had been inactive since June 15, 2013. The GOI's policy on biotechnology is "accept with a precautionary approach" with respect to environmental safety, food safety, and/or feed safety based on scientific approaches as well as taking into considerations of religion, ethical, socio-cultural, and esthetical norms. A few regulations and guidelines have been issued to protect the public from the possibility of negative consequences of biotechnology utilization.</p> <p>According to Government Regulation (PP No. 21 Year 2005), any person who imports a GMO for the first time must (Article 13):</p> <ul style="list-style-type: none"> • Apply for permission to do so from the Minister or other designated authority. This application must include specific information, including a risk assessment;
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			<ul style="list-style-type: none"> The permit is then issued or denied based on an assessment of the risks posed to safety and biosecurity. <p>The applicable legislation includes a ban on the unauthorised commercial use of GMO trees. According to Government Regulation (PP No. 21 Year 2005). Commercial use of GMO is permitted with the appropriate approvals. Environmental Protection and Management Act (Law No 32 /2009) makes it an offence for any person to release a GMO into the environment without prior approval. At 101 article it is written that sanction for violating these rules is either sanctions or detention of money. There is no evidence of unauthorized use of GM trees.</p> <p>There is no commercial use of GM trees in the country or region. According to USDA (2016), Indonesia continues to carry out trials of GE food crops, such as: rice (nitrogen use efficiency), sugarcane (modification of high glucose content), cassava (modification of amylase), tomato (resistant to virus), and delayed ripening papaya, albeit at a relatively modest pace.</p> <p>To date Indonesia has not commercially cultivated any GE crops, including GE seed production. However, USAID reports that as soon as the three GE sugarcane varieties receive feed safety approval from the Ministry of Agriculture, PT Perkebunan Nusantara XI (a state owned company) will cultivate and market them to sugar mills for food consumption (USAID 2016).</p> <p>There are no trials of GM trees in Indonesia.</p> <p>Licenses are required for commercial use of GM trees. According to Law no 32/2009, Ministry of Environment, and its delegate The</p>
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			<p>Indonesian Institute of Sciences (LIPI) is the agency to issue a license for GM trees.</p> <p>There are no licenses issued for GM trees in Indonesia.</p>
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	GMO Context Question	Answer	Sources of Information (list sources if different types of information, such as reports, laws, regulations, articles, web pages news articles etc.).
1	Is there any legislation covering GMO (trees)?	<p>Yes.</p> <p>Governmental Regulation (GR) No. 21 of 2005 on GMO Biosafety and Presidential Regulation (PR) No. 39 of 2010 about on the Commission of Biosafety of GMO, regulates GMOs in Indonesia. Both of these regulations confirm that any GMO that will be commercialized in Indonesia must pass the biosafety assessment in accordance with the precautionary principle on Cartagena Protocol. This Protocol has been ratified by Indonesia earlier by Act No. 21 of 2004.</p> <p>Government Regulation (PP No. 21 Year 2005) creates environmental safety, and safety of food for genetic engineering products (PRG), and utilization of PRG in the fields of agriculture, fishery, forestry, industry, etc. The Regulation consists of 10 Chapters divided into 37 articles:</p> <p>General provisions (I); PRG types and the required conditions (II); PRG research and development (III); Introduction of PRG from foreign countries (IV); Assessment, release and circulation, and utilization of</p>	<ul style="list-style-type: none"> Government Regulation (PP No. 21 Year 2005) - http://extwprlegs1.fao.org/docs/pdf/ins60788.pdf Law No. 21 of 2004 Ratifying the Cartagena Protocol on Biodiversity - http://www.bpkp.go.id/uu/filedownload/2/39/227.bpkp Presidential Regulation (PR) No. 39 of 2010 about on the Commission of Biosafety of GMO Environmental Protection and Management Act (Law No 32 /2009) http://extwprlegs1.fao.org/docs/pdf/ins97643.pdf Puspita Deswina and Bambang Prasetya, Development of GMO in Indonesia (a review). Biotechnology Research Center, LIPI. www.academia.edu/592635/Development_of_GMO_in_Indonesia_A_review_ Titi Rahayu for the USDA Foreign Agricultural Service, 2015. Indonesia - Agricultural Biotechnology Annual – 2015. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_7-14-2015.pdf

	<p>PRG. This regulation is an improvement or refinement of the previous rules of the Four Ministers Joint Decree year 1999 and specifically designed to regulate biotechnology products of genetic engineering in Indonesia. In this regulation it has been determined that every person who conducts research and development on biotechnology products must prevent and / or overcome the negative impact of its activities on human health and the environment.</p> <p>The National Biosafety Commission on Genetically Engineered Product (BCGEP) is responsible for providing biosafety recommendations, suggestions, and considerations of GE products to the authorized ministries. The BCGEP, which was established in 2010 based on Presidential Regulation No. 39/2010, had been inactive since June 15, 2013. The GOI's policy on biotechnology is "accept with a precautionary approach" with respect to environmental safety, food safety, and/or feed safety based on scientific approaches as well as taking into considerations of religion, ethical, socio-cultural, and esthetical norms. A few regulations and guidelines have been issued to protect the public from the possibility of negative consequences of biotechnology utilization.</p> <p>According to Government Regulation (PP No. 21 Year 2005), any person who imports a GMO for the first time must (Article 13):</p> <ul style="list-style-type: none"> • Apply for permission to do so from the Minister or other designated authority. This application must 	<ul style="list-style-type: none"> • Indonesia Biosafety Clearing House: http://indonesiabch.or.id/regulasi/
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		<p>include specific information, including a risk assessment;</p> <ul style="list-style-type: none"> The permit is then issued or denied based on an assessment of the risks posed to safety and biosecurity. 	
2	Does applicable legislation for the area under assessment include a ban for commercial use of GMO (trees)?	<p>No. According to Government Regulation (PP No. 21 Year 2005), commercial use of GMO is permitted with the appropriate approvals. Environmental Protection and Management Act (Law No 32 /2009) makes it an offence for any person to release a GMO into the environment without prior approval. At 101 article it is written that sanction for violating these rules is either sanctions or detention of money.</p>	<ul style="list-style-type: none"> Government Regulation (PP No. 21 Year 2005) - http://extwprlegs1.fao.org/docs/pdf/ins60788.pdf Law No. 21 of 2004 Ratifying the Cartagena Protocol on Biodiversity - http://www.bpkp.go.id/uu/filedownload/2/39/227.bpkp Environmental Protection and Management Act (Law No 32 /2009) http://extwprlegs1.fao.org/docs/pdf/ins97643.pdf Puspita Deswina and Bambang Prasetya, Development of GMO in Indonesia (a review). Biotechnology Research Center, LIPI. www.academia.edu/592635/Development_of_GMO_in_Indonesia_A_review_ Titi Rahayu for the USDA Foreign Agricultural Service, 2015. Indonesia - Agricultural Biotechnology Annual – 2015. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_7-14-2015.pdf Indonesia Biosafety Clearing House: http://indonesiabch.or.id/regulasi/
3	Is there evidence of unauthorized use of GM trees?	No	According to an extensive internet search and experts consulted.

4	Is there any commercial use of GM trees in the country or region?	<p>No.</p> <p>According to USDA (2016), Indonesia continues to carry out trials of GE food crops, such as: rice (nitrogen use efficiency), sugarcane (modification of high glucose content), cassava (modification of amylase), tomato (resistant to virus), and delayed ripening papaya, albeit at a relatively modest pace.</p> <p>To date Indonesia has not commercially cultivated any GE crops, including GE seed production. However, USDA reports that as soon as the three GE sugarcane varieties receive feed safety approval from the Ministry of Agriculture, PT Perkebunan Nusantara XI (a state owned company) will cultivate and market them to sugar mills for food consumption (USDA 2016).</p>	<ul style="list-style-type: none"> • Titi Rahayu for the USDA Foreign Agricultural Service, 2015. Indonesia - Agricultural Biotechnology Annual – 2015. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_7-14-2015.pdf • Thom Wright and Titi Rahayu for the USDA Foreign Agriculture Service, 2016. Indonesia - Agricultural Biotechnology Annual – 2016. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_11-18-2016.pdf • Indonesia Biosafety Clearing House: http://indonesiabch.or.id/regulasi/ • Deswina P, Syarief R, Rachman LM and Herman M, 2013. Policy Analysis of Sustainable GMO Management Using Decision Making Method in Indonesia. Adv Genet Eng 2: 107. http://dx.doi.org/10.4172/2169-0111.1000107
5	Are there any trials of GM trees in the country or region?	No	Indonesia Biosafety Clearing House: http://indonesiabch.or.id/regulasi/
6	Are licenses required for commercial use of GM trees?	Yes. According to Law no 32/2009, Ministry of Environment, and its delegate The Indonesian Institute of Sciences (LIPI) is the agency to issue a license for GM trees.	<ul style="list-style-type: none"> • Government Regulation (PP No. 21 Year 2005) - http://extwprlegs1.fao.org/docs/pdf/ins60788.pdf • Law No. 21 of 2004 Ratifying the Cartagena Protocol on Biodiversity - http://www.bpkp.go.id/uu/filedownload/2/39/227.bpkp

			<ul style="list-style-type: none"> • Presidential Regulation (PR) No. 39 of 2010 about on the Commission of Biosafety of GMO • Environmental Protection and Management Act (Law No 32 /2009) http://extwprlegs1.fao.org/docs/pdf/ins97643.pdf • Titi Rahayu for the USDA Foreign Agricultural Service, 2015. Indonesia - Agricultural Biotechnology Annual – 2015. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_7-14-2015.pdf • Thom Wright and Titi Rahayu for the USDA Foreign Agricultural Service, 2016. Indonesia - Agricultural Biotechnology Annual – 2016. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_11-18-2016.pdf • Indonesia Biosafety Clearing House: http://indonesiabch.or.id/regulasi/ • Deswina P, Syarief R, Rachman LM and Herman M, 2013. Policy Analysis of Sustainable GMO Management Using Decision Making Method in Indonesia. Adv Genet Eng 2: 107. http://dx.doi.org/10.4172/2169-0111.1000107
7	Are there any licenses issued for GM trees relevant for the area under assessment? (If so, in what regions, for what species and to which entities?)	No	<ul style="list-style-type: none"> • Titi Rahayu for the USDA Foreign Agricultural Service, 2015. Indonesia - Agricultural Biotechnology Annual – 2015. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_7-14-2015.pdf

			ions/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_7-14-2015.pdf <ul style="list-style-type: none"> Thom Wright and Titi Rahayu for the USDA Foreign Agricultural Service, 2016. Indonesia - Agricultural Biotechnology Annual – 2016. https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Agricultural%20Biotechnology%20Annual_Jakarta_Indonesia_11-18-2016.pdf Indonesia Biosafety Clearing House: http://indonesiabch.or.id/regulasi/
8	What GM 'species' are used?	None	
9	Can it be clearly determined in which MUs the GM trees are used?	Not applicable	

Recommended control measures

N/A