



CURBING ILLEGAL LOGGING IN INDONESIA

Indonesia's Forests and Illegal Logging

Indonesia is endowed with some of the most extensive, valuable and biologically diverse forests in the world. These forests cover more than half of Indonesia's total land area, contain an abundance of flora and fauna, support the livelihoods of millions of Indonesian's and provide important environmental services.

Nevertheless, these forests are increasingly threatened by a range of damaging activities, including illegal logging. Illegal logging poses a significant threat to Indonesia's forest resources because it often occurs in already logged over

forests that have not had the chance to recover; on steep slopes; catchment areas; or within protected forests, which have been designated to protect watershed functions and Indonesia's unique biodiversity.

Illegal logging also poses a threat to forest governance as it undermines the law, results in social conflict and derails sustainable forest management initiatives. Other adverse impacts include: lost government revenue, distorted timber markets and a lack of incentives to produce legal timber.

Indonesian Government Efforts to Combat Illegal Logging

In recognition of the significance of illegal logging, the Indonesian government made a commitment to: 1) intensify national efforts to tackle illegal logging; 2) strengthen bilateral, regional and multilateral collaboration on forest crime; and 3) to share information on forest crimes and illegal timber shipments with other timber producing countries who signed the Bali Declaration on Illegal Logging in September 2001.

Since this time, the Indonesian government has hosted a series of international meetings on illegal logging; initiated constructive policy dialogue with multiple stakeholders; and developed a number of bilateral agreements seeking to curb illegal logging with the Governments of the United Kingdom, Japan, the Republic of South Korea, Norway, the People's Republic of China, the Phillipines, and the United States.

The Indonesian government has also worked on a number of measures to curb illegal logging, improve forest governance and achieve the goal of sustainable forest management. For instance, the Indonesian government has collaborated with the Government of the United Kingdom and a number of NGOs to develop an auditable

definition of 'legal' timber for Indonesia. It has also set a precedent by listing forest crimes as a predicate offense in its new Anti-Money Laundering legislation (UU25/03) and initiated multi-stakeholder consultations on a draft illegal logging law that seeks to improve the effectiveness of law enforcement operations targeting forest crimes.

President Yudhoyono has demonstrated a firm commitment to improve forest governance by issuing a Presidential Instruction (INPRES 4/05) that directs the leaders of 18 government bodies to cooperate and coordinate in order to eradicate illegal logging. This instruction is expected to improve inter-agency cooperation with efforts to curb illegal logging and to expedite judicial processes in order to obtain penalties that will deter other forest criminals from continuing to engage in illegal forest activities.





Box 1: A Summary of the 11 Step Program

The 11 Step Program A Multi-Stakeholder Initiative

The Indonesian government, particularly the Ministry of Forestry, has also actively participated in the development of a systematic, comprehensive, time-bound framework that can be used by multiple stakeholders to curb illegal logging, improve law enforcement and achieve more sustainable forest management (Box 1).

The framework, known as the '11 Step Program to Curb Illegal Logging', has resulted from extensive multi-stakeholder consultations facilitated by the WWF/World Bank Alliance. It details a number of prevention, detection and suppression measures that can be collaboratively undertaken by multiple stakeholders to tackle this issue. Some of these measures have already been initiated. For instance, the Ministry of Forestry has begun to work with a consortium of stakeholders to collect and analyze accurate, up-to-date data and information on Indonesia's forests to identify a range of harvesting, processing and transportation crimes. It is also developing a Voluntary Partnership Agreement with the European Union to encourage legal timber production and trade.

The 11 Step program will serve as an important reference for the Ministry of Forestry to base a national framework for curbing illegal logging, in accordance with Presidential Decree No.4/05, and implementing more effective efforts to combat illegal logging.



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- Action 1: Demonstrate commitment to tackle illegal logging:** Issue a Presidential Instruction directing government agencies to effectively curb illegal logging; establish an inter-agency strike force to fast-track the prosecution of major figures organizing and financing forest crimes; establish a forest crime monitoring system; improve communication and reconcile differences between multiple stakeholders; and raise awareness about illegal logging in Indonesia and internationally.
- Action 2: Determine legal sources of timber:** Identify and build consensus on legal timber sources to enable law enforcers, buyers and consumers to distinguish legal from illegal timber; and publish clear guidelines on what constitutes legal timber.
- Action 3: Improve detection:** Require central collection and analysis of information needed to detect harvesting, transportation and processing crimes. This should include maps, remote sensing imagery, harvest permits and licenses, transportation documents, and processing licences and records.
- Action 4: Archive data:** Establish a permanent national forest sector database and maintain up-to-date and complete information on the harvesting, processing and transportation of timber.
- Action 5: Ensure transparency:** Develop a comprehensive disclosure policy and disclose information on the harvesting, processing and transportation of timber to the general public.
- Action 6: Rationalise the industry:** Bring Indonesian mill demand into balance with the nation's legal timber supply and reduce pressure for illegal logging by developing a comprehensive wood processing industry rationalisation plan that identifies and mandates a reduction in consumption of logs by factories, increases plantation productivity and offsets employment losses.
- Action 7: Increase tenure security and livelihood options:** To encourage local people to protect forests from outside encroachment and refrain from illegal logging.
- Action 8: Promote legal timber trade:** Reduce demand for illegal timber and stimulate demand for legal timber by promoting legal and sustainable timber in the domestic market, and by entering into agreements with major international trading partners to import only legal timber.
- Action 9: Build enforcement capacity:** Strengthen all relevant agencies, including forestry, police, the military, the judiciary and transport and customs, through institutional reform, inter-agency co-operation and training on forest-related laws and regulations, evidence collection, assembling case files, and pursuing chains of complicity in a way that ensures that the principal actors of illegal logging, rather than poor local people, are prosecuted.
- Action 10: Amend laws:** Where necessary, amend national laws and regulations to strengthen enforcement efforts and ensure the prosecution, conviction and proportionate and dissuasive sentencing of key forest criminals – including the organisers and financiers of illegal logging and buyers of illegal timber.
- Action 11: Prosecute and convict major forest criminals:** Ensure that major actors who facilitate, organise, finance and benefit significantly from forest-related crime are arrested, vigorously prosecuted and, where found guilty, convicted and punished to the full extent allowed by law.

Indonesia's process to develop the 11 Step Program on illegal logging has been supported by:

