

## Annex I: Nominally Legal Sources of Timber in Indonesia

Forest classification type	Permit/license type	Main license requirements (Forest Management plan, harvest plan or similar)	Clarification
Natural Forest Concession on State Forest land	IUPHHK-RE (in a Restoration Ecosystem) or IUPHHK-HA/HPH (in Natural Forest).	Ten Year Work Plan (RKUPHHK, or simply RKU), Annual Work Plan (RKTUPHHK, or simply RKT), Receipt of payment of tax (PSDH), Document of Round Wood Transport (SKSKB) (Note: only applies to planted trees/timber from private land)  In the case of private land, the SDOC can be used as an alternate to SVLK certification, but cannot be part of a supply chain destined for export.	Since 2011 there is a moratorium in place in Indonesia, which prevents new IUPHHK-HA (Natural Forest) licenses to be issued.
Plantation Concession on State Forest Land	IUPHHK-HTI/HPHTI "Hutan Tanaman Industri" (Industrial Plantation Permit).	Ten Year Work Plan (RKU), Annual Work Plan (RKT), Receipt of payment of tax (PSDH), Document of Round Wood Transport (FAKB)	Since 2011 there is a moratorium in place, which prevents new IUPHHK-HTI (Plantation Forest) licenses to be issued, because there might still be areas of Natural Forest or Peat Land on the Plantation Forest designated areas.
Plantation harvested by State Company	The State Forest company called "Perum Perhutani" has to be established according to Government Regulation No. 15 Year 1972.	Ten Year Work Plan (RKU), Annual Work Plan (RKT), Document of Round Wood Transport (FAKB),	The Replanting Fund, called DR "Dana Reboisasi" is needed to calculate the Tree Replacing Fund, called PNT "Penggantian Nilai Tegakan" = (Price-(PSDH+DR+Production Cost)*Volume.  This PNT is applied only for timber harvested from conversion area (not planted tree/timber).
Community forest on state land	IUPHHK- HTR for community plantation.  IUPHHK-HKM: Permit for community forest management  IUPHHK-HD: Permit for village forest management	Ten Year Work Plan (RKU), Annual Work Plan (RKT), Document of Round Wood Transport (SKSKB).  FAKO - applies only to processed timber (manufacture/industry)	Communities can aggregate up to 700ha under one group. IUPHHK-HTR is granted for a period of 60 (sixty) years, and may be extended once for a period of 35 years. Every two years an evaluation by the District Department of Forestry has to be carried out. In the event if the operation is not in accordance with the license, the license can be canceled.

<p>Timber from private land</p>	<p>Freehold land certificate acknowledged by the BPN (National Land Agency).</p>	<p>Logging details are approved by Chief of Village in order to obtain Document of Round Wood Transport (SKAU). Other option of transport document are either NOTA or SKSKB-KR (KR stand for 'Kayu Rakyat'). SKSKB-KR for naturally grown trees prior to the private land rights.</p>	<p>Individual Private Forest Ownership, called HR "Hutan Rakyat" is defined as a minimum of 0.25ha. There is no clear regulation on the maximum size of a private forest area, but these areas tend to be below 5ha. There is the option to have cooperatives where multiple private forest lands are managed together.</p>
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