

Eyes on the Forest

April 2006 Investigative Report



<http://www.eyesontheforest.or.id/>

Walhi - *Sikalahari* - WWF

June 27, 2006

COC ID	Actor	Logging/ loading site	Forest block name	Starting date of logging	Logging area (Ha)	Truck(s) Wood capacity (m3)	Departure time/date/ license plate # of the truck(s)	Stopping sites /time/date /truck(s)	Final destination / time/date/ truck(s)	Buyer	Likely violated laws
B8007	Amal Hutemas Bina Bonai Foundation (1 excavator) A contractor with an initial "D", 8 groups member	loading site 100 50 24 E 01 00 26 N	Libo Block	Apr-05	-	28	Time/date: 08:45 AM 4/30/2006 License plate # BM 8542 AC	Stopping Site : km. 26 Libo Baru 101 00 15 E 00 57 36 N Time/date: 03:16 PM 4/30/2006 Stopping Site : Simpang Libo Lama 101 14 5 E 00 53 55 N Time/date: 05:40 PM 4/30/2006 Stopping Site : Km. 2 Simpang Minas - Perawang 101 28 13 E 00 42 27 N Time/date: 07:45 PM 4/30/2006 License plate # BM 8542 AC	Final destination 101 36 40 E 00 41 31 N Time/date: 05:35 AM 5/1/2006 License plate # BM 8542 AC	IKPP (APP)	link to analysis

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B2002	PT. Chong, PT. Ihsan Prima Karya, and PT. Ihsa Asparindo Prima, a sub contractor of PT. Balai Kayang Mandiri. (10 unit of chainsaws, 11 unit of excavator, 3 unit of speed boats, and 45 unit of iron boat with capacity of 25 tons each)	<p>Logging site :</p> <p>101 53 7 E 00 57 59 N</p> <p>loading site</p> <p>101 47 50 E 00 57 54 N</p>	GSK Block	01/05/2005	5000-6000 ha	30	<p>Time/date: 9:30 AM 5/1/2006</p> <p>License plate # BK 9021 BG</p>	<p>Stoping Site : Dusun Trembusu 101 33 43 E 01 04 15 N</p> <p>Time/date: 11:55 AM 5/1/2006</p> <p>Stoping Site : Restaurant Sederhana 101 30 52 E 00 49 13 N</p> <p>Time/date: 04:44 PM 5/1/2006</p> <p>License plate # BK 9021 BG</p>	<p>Final Destination 101 36 40 E 00 41 31 N</p> <p>Time/date: 07:45 PM 5/1/2006</p> <p>License plate # BK 9021 BG</p>	IKPP (APP)	link to analysis



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B2003	PT. SPR, PT. A King and PT. Tri Murni, contractors of PT.Satria Perkasa Agung. (13 unit of excavators, 2 unit of dozers, 15 unit of iron boat with 25 tons loading capacity each, and 2 unit of speed boats)	<p>Logging site : 101 34 10 E 01 26 00 N</p> <p>loading site 101 31 26 E 01 24 50 N</p>	GSK Block		866 ha	28	<p>Time/date: 08:00 AM 5/2/2006</p> <p>License plate # BK 9355 TM</p>	<p>Stoping Site : Small shop km.17 Kulim Duri. 101 9 19 E 01 23 57 N</p> <p>Time/date: 10:15 AM 5/2/2006</p> <p>Stoping Site : Km. 44 Minas 101 22 26 E 00 48 8 N</p> <p>Time/date: 04:00 PM 5/2/2006</p> <p>License plate # BK 9355 TM</p>	<p>Final destination 101 22 26 E 00 41 31 N</p> <p>Time/date: 07:25 PM 5/2/2006</p> <p>License plate # BK 9355 TM</p>	IKPP (APP)	link to analysis

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Blok Libo (B8007, Map 1 and 4)

Eyes on the Forest investigation in April 2006 found that Amal Hutemas Bina Bonai Foundation was clearcutting natural forest in Libo Forest Block, area of [recent tragedy of Riau elephants](#). This logging activity was conducted inside a palm oil concession of PT. Rokan Adi Makmur, part of Rokan Group. *Eyes on the Forest's* chain of custody investigation confirmed that timber from this logging operation was supplied to PT. Indah Kiat Pulp and Paper (IKPP), pulp mill of Asia Pulp & Paper (APP) in Riau.

Small Scale Forest Concession License (IPK) of Amal Hutemas Bina Bonai Foundation was issued by the Head of District of Rokan Hulu No. 03/Forestry/IV/2005. The logging activities of the IPK holder have been going on for a year. No information obtained on the legality of the document.

The concession of PT. Rokan Adi Makmur, where the logging was conducted, is inside Libo Forest Block and overlaps with the following areas (see also [Map 4](#), EoF News 18 April 2006: [Forest to Paper, Forest to Palm Oil, and No Place to Live for Riau Elephants](#)):

- Sumatra Elephants' ranges reported in 2003, 1999 and 1985 by IUCN, WWF, BKSDA (see also EoF Interactive map on Elephants).
- Peat soil depth of between 2 and 4 meters (Wetland International & Canadian International Development Agency 2003: Map of Area of Peatland Distribution and Carbon Content 2002 Riau Province). According to the Presidential Decree No 32/1990 natural forest areas located in peat moss forest area in upstream part of the river and swamp, with a thickness of more than three meters, should be maintained. The decree issued by the Minister of Forestry and Minister of Agriculture No. 376/1998, dated on April 8th 1998, About the Criteria of Forest Area Conversion for Palm Oil Plantation Development, pointed that criteria for palm oil plantation development is land with peat depth below 2 meters.

Based on *Eyes on the Forest's* findings, PT. IKPP of APP has purchased the timber from this logging operation by Amal Hutemas Bina Bonai Foundation and therefore has violated Forestry Law No. 41/1999 article 50 clause (3) point (f) in conjunction with article 78 clause (4) which prohibit accepting, purchasing or selling, exchanging, storing, or possessing forest product known or allegedly known illegal.

Amal Hutemas Bina Bonai Foundation/PT. Rokan Adi Makmur should immediately stop clearcutting and oil palm development operations in this concession to prevent further conversion of potential elephant habitat, further disturbance that may be contributing to driving elephants out of Libo Block, clearing of forest on peat



deeper than 3m, development of oil palm plantation on land with peat depth of more than 2m. PT. IKPP should not receive wood originating from such operations.

Giam Siak Kecil Forest Block ([B2002](#), [Map2](#) and [5](#))

Eyes on the Forest investigation on April 2006 found PT. Chong, PT. Ihsa Prima Karya and PT. Ihsa Asparindo Prima, contractors of PT. Balai Kayang Mandiri, were still logging in natural forest in Giam Siak Kecil Forest Block as confirmed by its finding in [December 2005](#). *Eyes on the Forest's* investigation this time confirmed that timber from these logging operations were also supplied to PT. IKPP.

Eyes on the Forest's investigation found that truck with plate number BK 9021 BG with additional number (painted on the door) 200-073, driven by a driver with initial "Sy" alias "Am" transported timber from PT. Balai Kayang Mandiri to PT. IKPP. ([See photo](#))

In its logging operations, contractors of PT. Balai Kayang Mandiri are using Industrial Timber Plantation License (IUPHHK-HT) on behalf of PT. Balai Kayang Mandiri issued by Head of District Siak dated on 3 February 2003 (No 04/IUPHHKHT/II/2003) for total area of 21,450 ha. To date, natural forest conversion in this area has reached 5,000 to 6,000 ha.

The Ministry of Forestry (MoF) is in the process of reviewing the validity of IUPHHK-HT issued by Governors or Heads of Districts (Decree no P.03/Menhut-II/2005 dated on Jan 18, 2005), therefore, PT. Balai Kayang Mandiri should immediately stop its logging activities and PT. IKPP/APP should stop sourcing timber from such activities until written legal verification issued by the MoF.

In addition to the legal review by the MoF, President of Indonesia through a Presidential Decree (Inpres No. 4/2005 about Combating Illegal Logging and its Distribution in All Area in Indonesia issued on 18 March 2005) and Riau Governor's Decree (No Kpts.472/X/2005 issued on 21 October 2005 about forming teams to support the implementation of Presidential Decree in Riau Province) confirmed a need to verify company's industrial licenses and further canceling the license if it does not comply with the existing law.

The concession of PT. Balai Kayang Mandiri, where the logging was conducted, overlaps with the following areas (see Map 5):

- High Conservation Value Forest (HCVF) identified by an [HCVF analysis of Giam Siak Kecil Landscape](#) commissioned by WWF ([purple boundaries in the CoC B2002 Map and Map 5](#)). APP has committed to protect HCVF identified by this study and therefore this is a violation against its public commitment.



- Peat soil depth of between 2 and 4 meters (Wetlands International and CIDA 2003). According to the Presidential decree No 32/1990, natural forest areas located in peat moss forest area in upstream part of the river and swamp, with a thickness of more than three meters, should be maintained.
- From the total concession area of 21,450 ha, 8,686 ha or 41% is located in "Protection Forest" (Hutan Lindung) as currently active in Riau Land Use Planning (RTRWP 1994).

Based on *Eyes on the Forest's* findings, PT. IKPP of APP has purchased the timber from this logging operation in PT. Balai Kayang Mandiri concession and therefore has violated Forestry Law No. 41/1999 article 50 clause (3) point (f) in conjunction with article 78 clause (4) which prohibit accepting, purchasing or selling, exchanging, storing, or possessing forest product known or allegedly known illegal.

PT. Chong, PT. Ihsa Prima Karya and PT. Ihsa Asparindo Prima and PT. Balai Kayang Mandiri should immediately stop logging operations in this concession to prevent further conversion of High Conservation Value Forest which APP committed to protect, clearing of forest on peat soil deeper than 3m, and clearing of forest designated as Protection Forest in the currently active Provincial Land Use Plan and possible lack of approval by Ministry of Forestry of locally issued conversion license. PT. IKPP/APP should not receive wood originating from such operations.

Giam Siak Kecil Forest Block ([B2003](#), [Map 3](#) and [5](#))

Eyes on the Forest investigation found that PT. SPR, PT. A.King and PT. Tri Murni, contractors of PT. Satria Perkasa Agung were clearcutting natural forest in Giam Siak Kecil Forest Block. PT. Satria Perkasa Agung is an associate company of Asia Pulp & Paper (APP). *Eyes on the Forest* investigation confirmed that the timber from these logging operations were supplied to PT. IKPP.

In its logging operations, PT. SPR, PT. A.King and PT. Tri Murni are using Industrial Timber Plantation License (IUPHHK-HT) on behalf of PT. Satria Perkasa Agung issued based on Minister of Forestry and Agriculture Decree No.224/Kpts-II/2000 dated on 22 August 2000 with total area 79,017 ha of total concession areas in Riau where the concession investigated by *Eyes on the Forest* is only 9,356 ha in April.

The Ministry of Forestry (MoF) is in the process of reviewing the validity of IUPHHK-HT issued by Governors or Heads of Districts (Decree no P.03/Menhut-II/2005 dated on Jan 18, 2005), therefore, PT. Satria Perkasa Agung should immediately stop its logging activities and PT. IKPP should stop sourcing timber from such activities until written legal verification issued by the MoF.



The 9,356 ha concession of PT .Satria Perkasa Agung, where the logging was conducted, overlaps with the following areas (see Map 5):

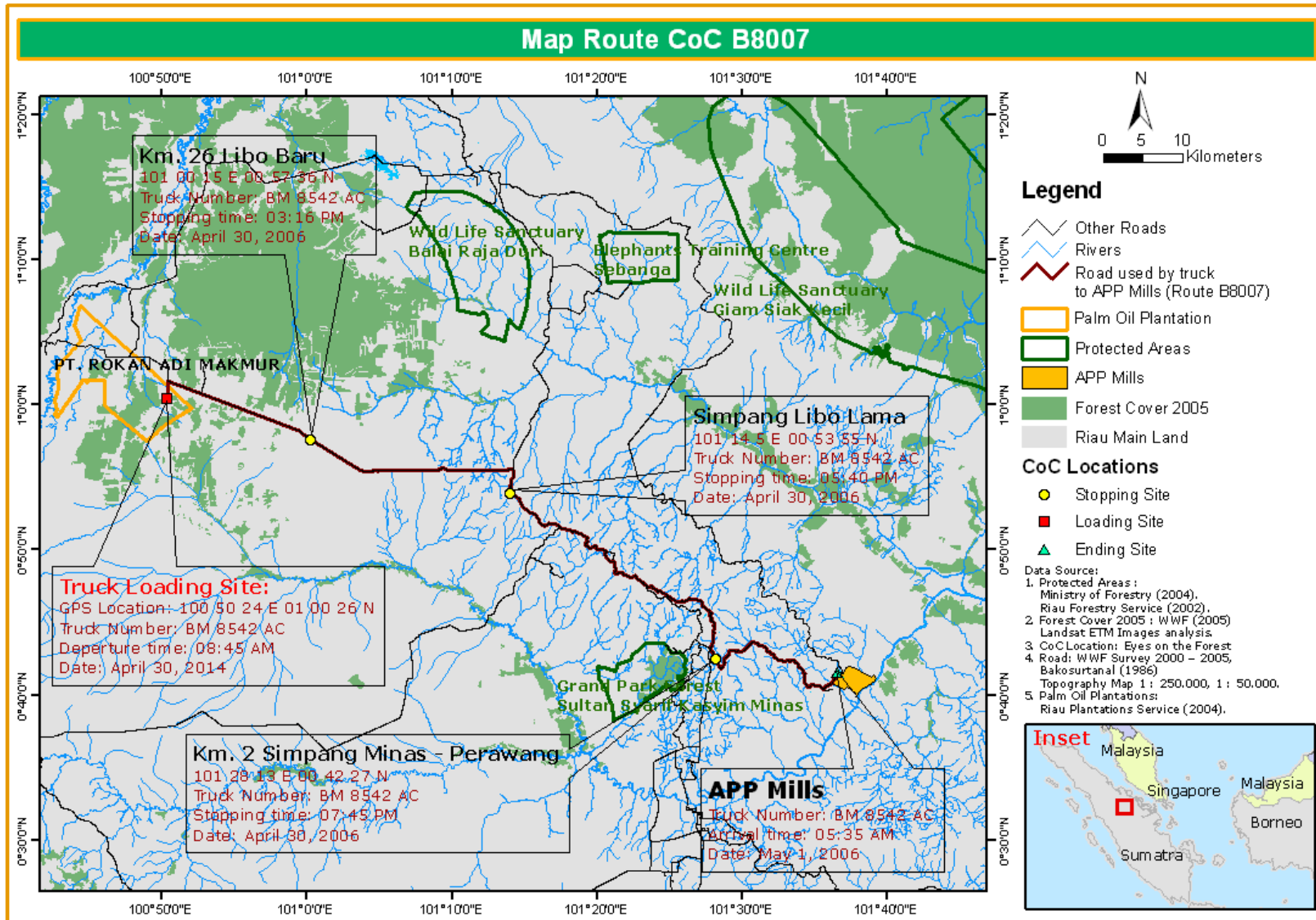
- 100% is located in Peatland Protection Area (Kawasan Lindung Gambut) as per the currently active Riau Land Use Planning (RTRWP 1994).
- 92% or about 8,585 ha consist of peat soil depth of between 2 and 4 meters (Wetlands International and CIDA 2003). According to the Presidential Decree No 32/1990 ,natural forest areas located in peat moss forest area in upstream part of the river and swamp with a thickness of more than three meters should be maintained.

Based on *Eyes on the Forest's* findings, PT. IKPP of APP have purchased the timber from this logging operations in this PT. Satria Perkasa Agung concession and therefore have violated Law No. 41/1999 about forestry article 50 clause (3) point (f) in conjunction with article 78 clause (4) which prohibits accepting, purchasing or selling, exchanging, storing, or possessing forest product known or allegedly known illegal.

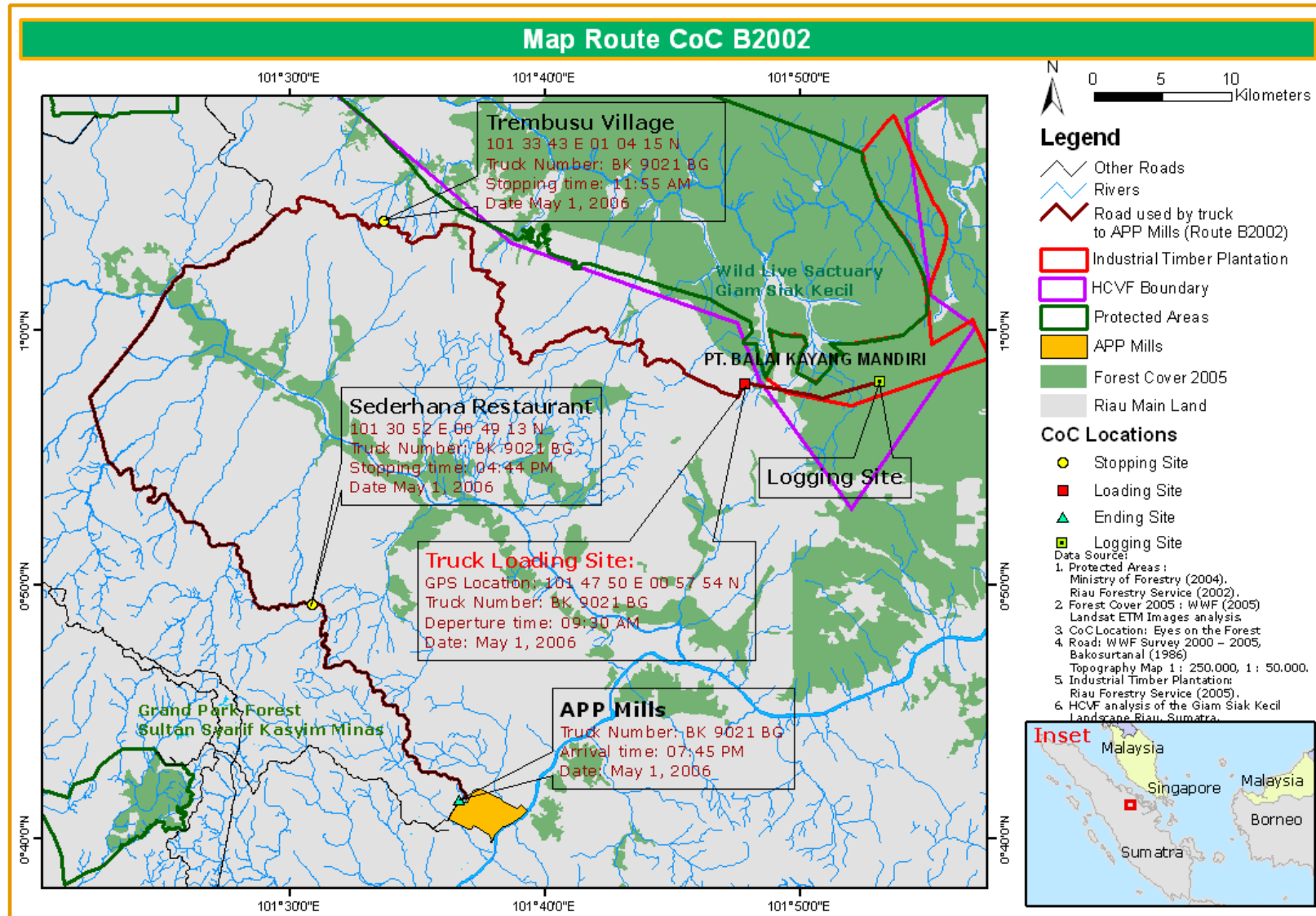
PT. SPR, PT. A.King, PT. Tri Murni and PT Satria Perkasa Agung should immediately stop logging operations in this concession, stop clearing of forest on peat deeper than 3m, and stop clearing of forest designated as Protection Forest in the currently active Provincial Land Use Plan and possible lack of approval by Ministry of Forestry of locally issued conversion license. PT IKPP should not receive wood originating from such operation.



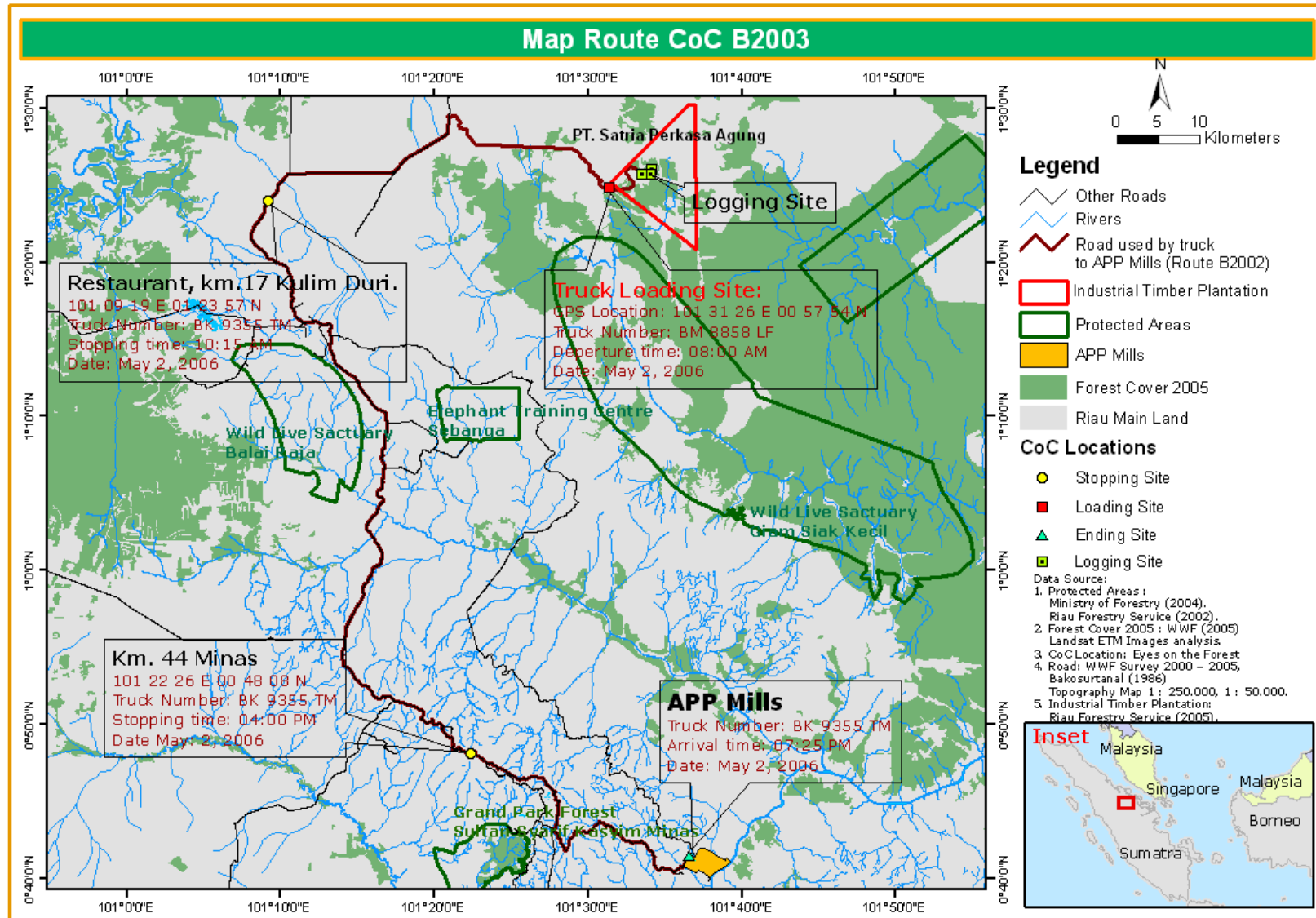
Map 1.



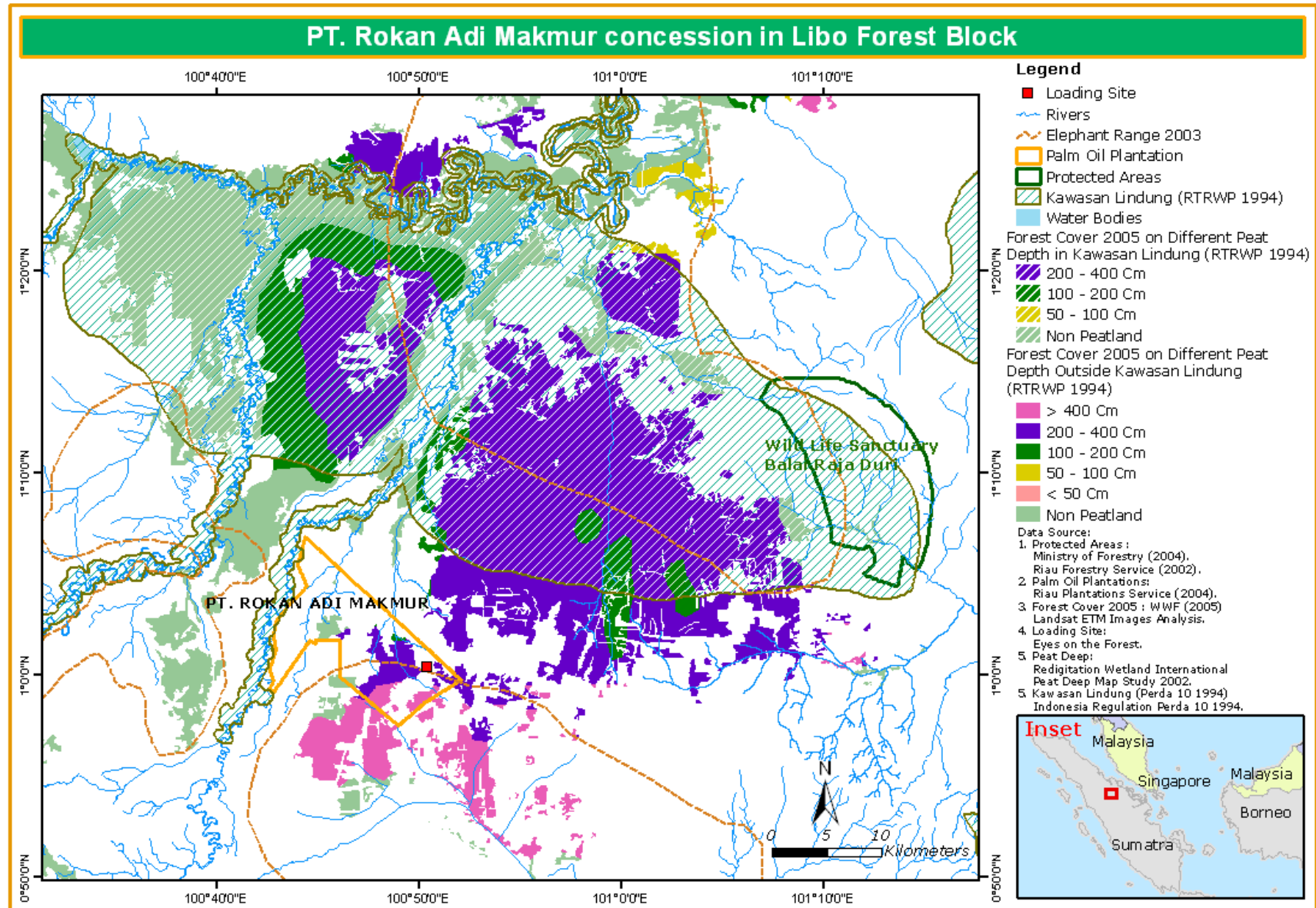
Map 2.



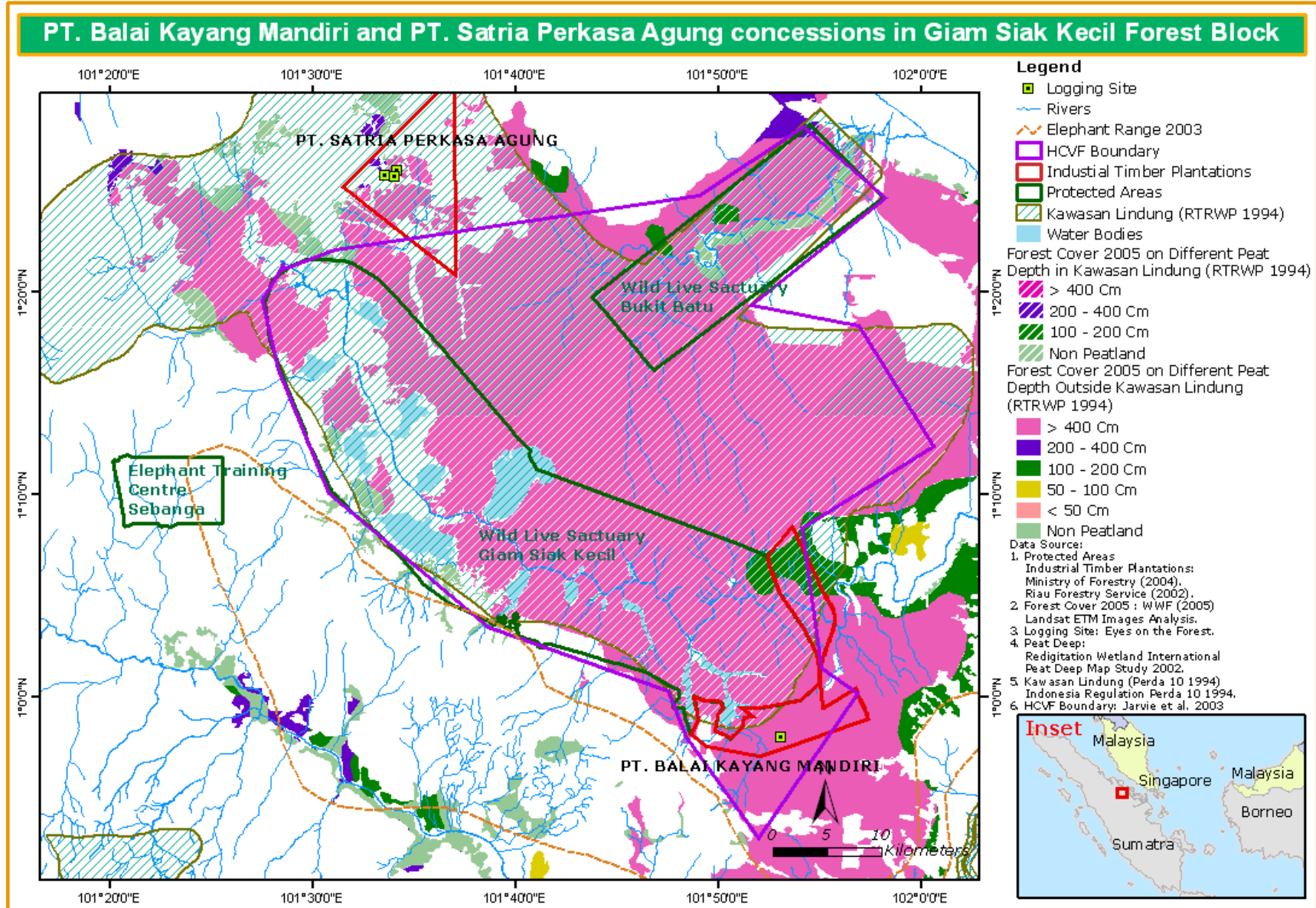
Map 3.



Map 4.



Map 5.



Map 6.

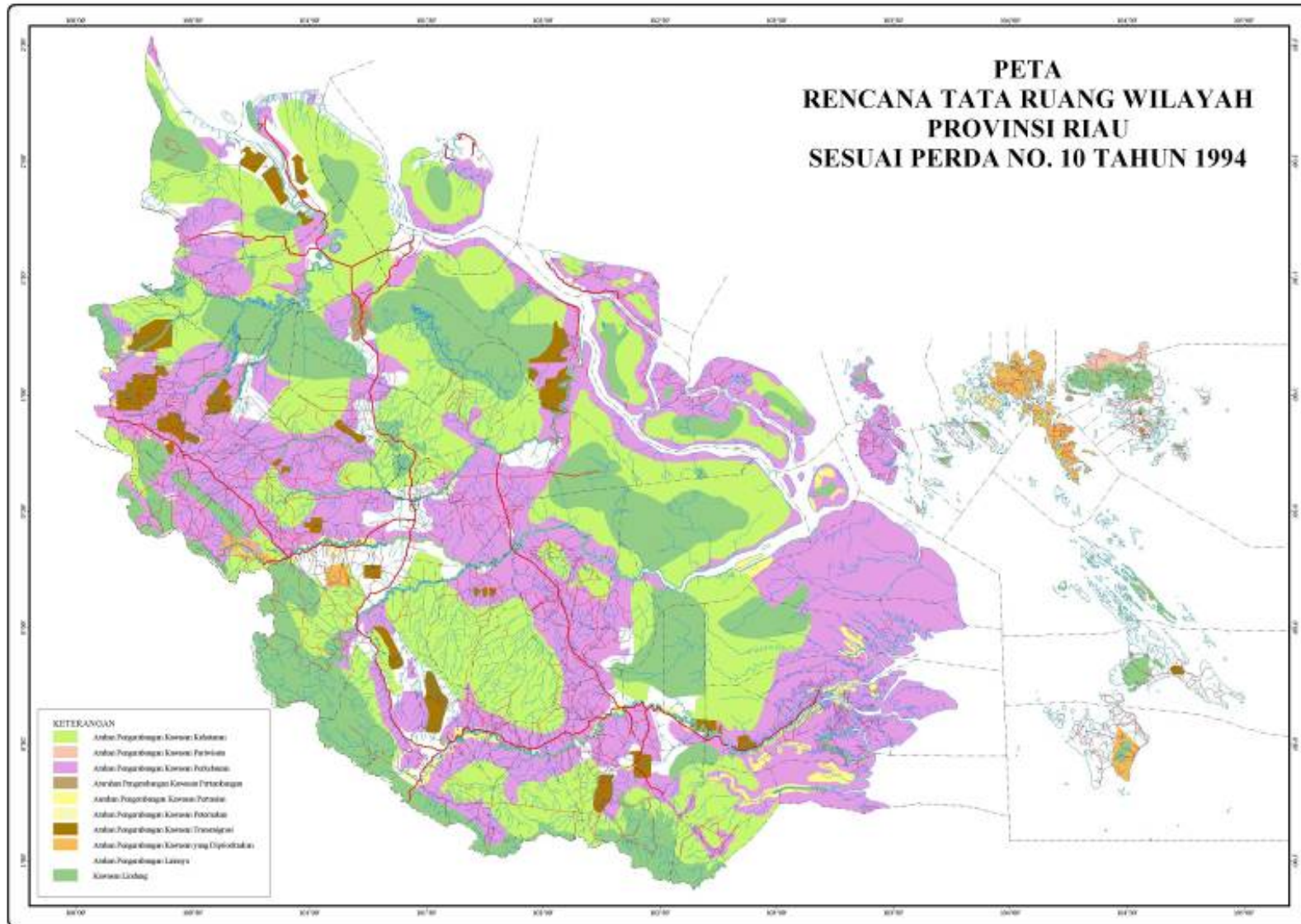


Photo 1. 

