

Eyes on the Forest

July 2006 Investigative Report



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

Walhi - **Jikalahari** - WWF

July, 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
B4010	PT. Mitra Kembang Selaras (PT. MKS) (20 Excavator+ 20 trucks)	Logging Site : 102 23 59 N 00 13 43 S Loading Site : 102 18 13 N 00 16 46 S	Kerumutan Block	2003	10.000	30	Time/date : 12:15 PM 7/27/2006 License plate # BM 9075 LA	Stopping Site : Saudara Restaurant 102 07 39 N 00 05 58 S Time/date: 01:30 PM 7/27/2006 License plate # BM 9075 LA	Final destination : 101 51 29 E 00 24 51 S Time/date: 04:15 PM 7/27/2006 License plate # BM 9075 LA	APRIL (RAPP)	link to analys
B5005	PT. Satria Pratama Abadi (PT. SPA), PT.Surya Sejahtera (PT.SS) di Desa Kuala Mulia Kec. Rengat Kab. Indragiri Hulu (8 unit Excavator + 3 unit pontoon + 20 unit chainsaw + 25 unit kapal besi + 25 orang)	Logging Site : 102 39 44 E 00 29 23 S Loading Site : 102 18 13 E 00 16 46 S	Bukit Tigapuluh Block	April-06			Time/date : 10:00 PM 7/26/2006 License plate # Pontoon: SINAR ABADI I Tug Boat: GT 74 NO 279/PPM	Stopping Site : Time/date: License plate #	Final destination : 101 38 13 E 00 40 23 S Time/date: 09:30 PM 7/30/2006 License plate # Pontoon: SINAR ABADI I Tug Boat: GT 74 NO 279/PPM	APP (IKPP)	link to analys

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
B5006	PT. CSS (Citra Sumber Sejahtera) di Desa Pauh Ranap Kecamatan Peranap Kab. Indragiri Hulu (16 unit Escavator + 36 unit chainsaw)	Logging Site : 101 55 34 E 00 46 31 S Loading Site : 101 47 50 E 00 57 54 S	Bukit Tiga Puluh Block	April-04	3000	25-28 ton	Time/date : 12:25 PM 8/2/2006 License plate # BM 9640 AT dan BM 9698 AV	Stopping Site 1: Factur Post PT.Citra Sumber Sejahtera 101 58 43 E 00 44 05 S Time/date: 12:55 PM 8/2/2006 License plate # BM 9640 AT dan BM 9698 AV Stopping Site 2 : Perkebunan Sei Lala Village 102 11 44 E 00 24 12 S Time/date: 06:40 PM 8/2/2006 License plate # BM 9640 AT dan BM 9698 AV Stopping Site 3: Ukui Gas Station 102 07 44 E 00 06 06 S Time/date: 01:51 PM 8/2/2006 License plate # BM 9640 AT dan BM 9698 AV	Final destination : 101 51 29 E 00 24 49 N Time/date: 05:40 AM 8/3/2006 License plate # BM 9640 AT Time/date: 06:33 AM 8/3/2006 License plate # BM 9698 AV	RAPP	link to analys

Analysis -- July 2006 Investigative Report

Kerumutan Block (Map 1 & Map 2)

Eyes on the Forest (EoF) Investigation in July 2006 inside Kerumutan forest block has found that about 10,000 hectares of natural forest logs had been clearcut illegally in the concession of **PT Mitra Kembang Selaras** (B4010 [peat spatial planning, Map 1](#)). The logging in this concession started in 2003. EoF observed logging activities being carried out by PT Mitra Kembang Selaras and followed the wood from the logging sites until the receipt by **PT Riau Andalan Pulp and Paper**, belonging to **Asia Pacific Resources International Limited (APRIL)**, ([B4010, Map 2](#)).

This is the EoF's third investigation to find the alleged involvement of PT Mitra Kembang Selaras in illegal activities inside this forest block as those in [March 2005](#) and [December 2005](#).

Based upon EoF's investigation, the concession license in this area was a Principal license issued by the Head of Indragiri Hulu District:

- PT Mitra Kembang Selaras has an IUPHHK-HT license (Industrial Timber Plantation License) by Decree Number Kpts.352/2002 dated 21 November 2002. The area size of the concession where logging is happening is 14,450 hectares.

The Ministry of Forestry (MoF) is on the process of reviewing the validity of Industrial Timber Plantation Licenses (IUPHHK-HT) issued by Provincial Governors or Heads of Districts (Forestry Minister Decree No P.03/Menhut-II/2005 dated 18 January 2005). Since 25 July 2005, *Eyes on the Forest* has been calling on all companies that are clearcutting natural forests based on such licenses to immediately issue a moratorium on all forest clearance operations. The coalition also called on all companies sourcing timber from such activities to immediately stop all deliveries (see [EoF PR on 25 July 2005](#)).

PT Mitra Kembang Selaras should not have started the operations in this concession and should therefore immediately stop its logging activities. PT. RAPP should stop sourcing timber from such activities until written legal verifications are 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 Curbing Illegal Logging Team to support the implementation of Presidential Decree in Riau Province) calls to examine operation licenses relating to timber forest concession and further cancellation of the licenses if they have been issued and do not comply with existing laws. **The concession held by PT Mitra Kembang Selaras overlaps with these following areas, thus violate the following laws:**

- Natural forests which was still in good condition, as shown by Landsat Image for the area in 2005. ([See image A](#)). Forestry Minister Decree Number 10/2000 in connection with 21/2001 stipulates that Timber Plantation Concession License (IUPHHK-HT) should not be granted for operation in natural forest, but should only be granted in barren land, grassland or bushes in production forest and that the area should not have vegetation of more than 10cm diameter trees for all kinds of species with potential timber density less than 5 m³ per hectare or number of sub-species of dominant species less than 200 trees per hectare.



- Provincially protected “Protection Area” (Kawasan Lindung) as per the currently active Riau Land Use Planning (RTRWP 1994) should not be converted ([Map 1](#)).

PT RAPP of APRIL has purchased the timber from this forest block and therefore has violated [Forestry Law No. 41/1999](#) article 50 clause (3) point (f) in conjunction with article 78 clause (4) which prohibit anybody to receive, buy or sell, receive as an exchange, receive as an entrusted goods, keep or possess any forest products which were allegedly harvested from a forest area through an illegal way.

PT Mitra Kembang Selaras should respect the existing laws in Indonesia and stop the forest clearance in this concession immediately. *EoF* also calls on PT RAPP of APRIL to immediately stop sourcing wood originating from such operation.

Bukit Tigapuluh Block (Map 3 & Map 4)

Eyes on the Forest (EoF) Investigation in July 2006 has found that natural forest had already been clearcut inside Bukit Tigapuluh forest block by **CV Cenaku Indah** ([B5005, Map 3](#); [B5005 CoC, Map 4](#)). The logging in this concession started in April 2006. EoF observed logging activities by CV Cenaku Indah and then followed the wood carried from the loading site until the receipt by PT Indah Kiat Pulp & Paper (PT IKPP), a company belonging to **Asia Pulp & Paper (APP)**.

EoF’s chain of custody investigation has successfully traced a pontoon identified as *Sinar Abadi 1* –pulled by a tug boat called GT 74 NO 279/PPM—from log piling station (TPK) of CV Cenaku Indah in Kuala Cenaku village until it arrived at PT IKPP’s jetty in Perawang ([Map 4](#)).

Concession granted to CV Cenaku Indah is an extended log utilization license from oil palm plantation concession which belongs to PT Bertuah Aneka Yasa. The concession area overlaps with a formerly proposed timber plantation concession of PT Chandra Dirgantara. Now the proposed concession is converted to overlapping ones among four oil palm plantations.

The concession held by CV Cenaku Indah overlaps with these following areas, thus violate existing laws:

- Peat soil depth of more than four meters ([Wetlands International & Canadian International Development Agency 2003](#): Map of Area of Peatland Distribution and Carbon Content 2002 Riau Province). According to the Presidential Decree Number 32/1990, natural forests located on peat soil with depth of 3 meter or more situated in upstream and swamp should be maintained. ([Map 3](#))
- Land allocated for oil palm plantation should comply with its criteria of having peat soil depth below two meters as stipulated by Decree of Minister of Forestry and Plantation Number 376/1998, dated 8 April 1998, on Criteria for Forest Land Allocation for Oil Palm Plantation Cultivation.

PT IKPP of APP has purchased the timber from this 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 anybody to receive, buy or sell, receive as an exchange, receive as an entrusted goods, keep or possess any forest products which were allegedly harvested from a forest



area through an illegal way.

CV Cenaku Indah should respect the existing laws in Indonesia and stop the forest clearance in these concessions immediately. *EoF* also calls on PT IKPP of APP to immediately stop sourcing wood originating from such operation.

[Eyes on the Forest report on forest fires on 7 August 2006](#) showed that inside concession that formerly proposed for PT Chandra Dirgantara or on IPK concession of CV Cenaku Indah there were 59 hotspots during July 2006. The number of hotspots increased drastically in the following months: 285 in August, 115 in September and even 129 hotspots on 1-7 October 2006 alone. ([see Fires keep flaring, haze troubles again](#)).

Forestry Law number 41/1999 article 49 states out that “Holders of rights or licenses shall be responsible for forest fires occurring in their working area.” CV Cenaku Indah should respect the existing law in Indonesia and should protect its concession from forest and land fires.

Bukit Tigapuluh Block (B5006, Map 5)

Eyes on the Forest Investigation in July 2006 has found that around 3,000 hectares of natural forest inside Bukit Tigapuluh forest block had already been clearcut in Timber Plantation Concession of **PT Citra Sumber Sejahtera (B5006, Map 5)**, associated with **APRIL**. The logging in this concession started in April 2004. *EoF* observed logging activities by PT Citra Sumber Sejahtera, then followed the wood from the logging sites until the receipt by **PT Riau Andalan Pulp and Paper (PT RAPP)**, a company belonging to **Asia Pacific Resources International Limited (APRIL)** ([Map 5](#))

This is the *EoF*'s third investigation to find the alleged involvement of PT Citra Sumber Sejahtera in conducting illegal activities inside this forest block as those in [February 2005](#) and [March 2005](#).

Based upon *EoF*'s investigation, the concession license in this area was issued by the Head of Indragiri Hulu District:

- PT Citra Sumber Sejahtera has an IUPHHK-HT license (Industrial Timber Plantation License) by Decree Number Kpts.330 year 2002 dated 5 November 2002. The area size of the concession where logging is happening is 16,500 hectares.

The Ministry of Forestry (MoF) is on the process of reviewing the validity of Industrial Timber Plantation Licenses (IUPHHK-HT) issued by Provincial Governors or Heads of Districts (Forestry Minister Decree No P.03/Menhut-II/2005 dated 18 January 2005). Since 25 July 2005, *Eyes on the Forest* has been calling on all companies that are clearcutting natural forests based on such licenses to immediately issue a moratorium on all forest clearance operations. The coalition also called on all companies sourcing timber from such activities to immediately stop all deliveries (see [EoF PR on 25 July 2005](#)).

PT Citra Sumber Sejahtera should not have started the operation in this concession and should therefore immediately stop its logging activities. PT RAPP should stop sourcing timber from such activities until written legal verifications are issued by the MoF.



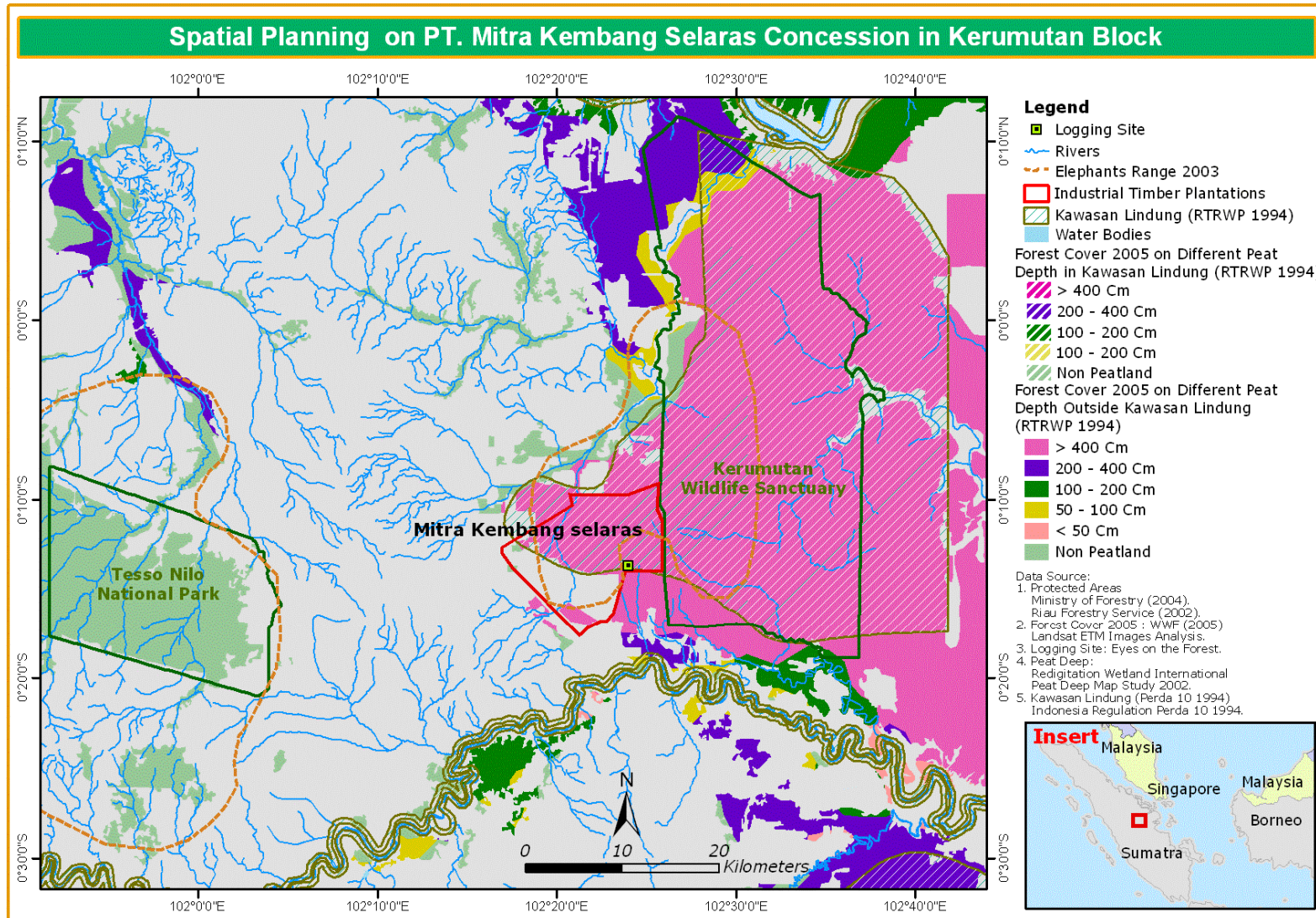
In addition to the legal review by the MoF, President of Indonesia through a Presidential Decree (Inpres No. 4/2005 about Combating Illegal Logging and its Distribution in All Area in Indonesia issued on 18 March 2005) and Riau Governor's decree (No Kpts.472/X/2005 issued on 21 October 2005 about forming Curbing Illegal Logging Team to support the implementation of Presidential Decree in Riau Province) order to examine operation licenses relating to timber forest concession and further cancellation of the licenses if they have been issued and do not comply with existing laws. **The concession of PT Citra Sumber Sejahtera overlaps with the following areas, thus violate some following laws:**

- Provincially protected "Protection Area" (Kawasan Lindung) as per the currently active Riau Land Use Planning (RTRWP 1994) should not be converted.
- Natural forests which were still in good condition, as shown by Landsat Image for the area in 2005 ([see Image B](#)). Forestry Minister Decree Number 10/2000 in connection with 21/2001 stipulates that Timber Plantation Concession License (IUPHHK-HT) should not be granted for operation in natural forest, but should only be granted in barren land, grassland or bushes in production forest and that the area should not have vegetation of more than 10cm diameter trees for all kinds of species with potential timber density less than 5 m³ per hectare or number of sub-species of dominant species less than 200 trees per hectare.
- Bukit Tigapuluh forest block is important habitat for Sumatran elephants, therefore it should be preserved from deforestation.

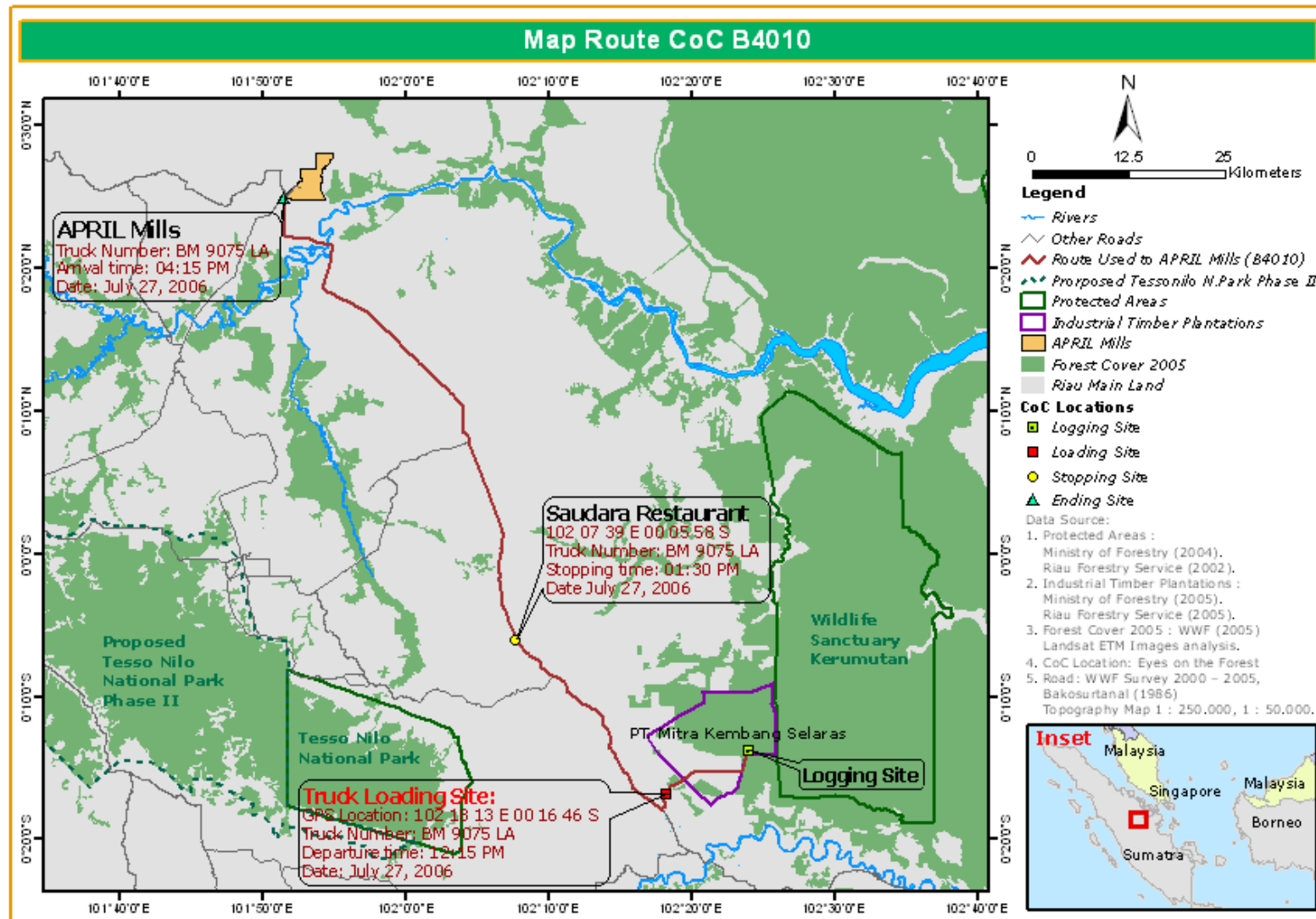
PT RAPP of APRIL has purchased the timber from this concession and therefore has violated [Forestry Law No. 41/1999](#) article 50 clause (3) point (f) in conjunction with article 78 clause (4) which prohibit anybody to receive, buy or sell, receive as an exchange, receive as an entrusted goods, keep or possess any forest products which were allegedly harvested from a forest area through an illegal way.

PT Citra Sumber Sejahtera should respect the existing laws in Indonesia and stop the forest clearance in this concession immediately. *EoF* also calls on PT RAPP to immediately stop sourcing wood originating from such operation.

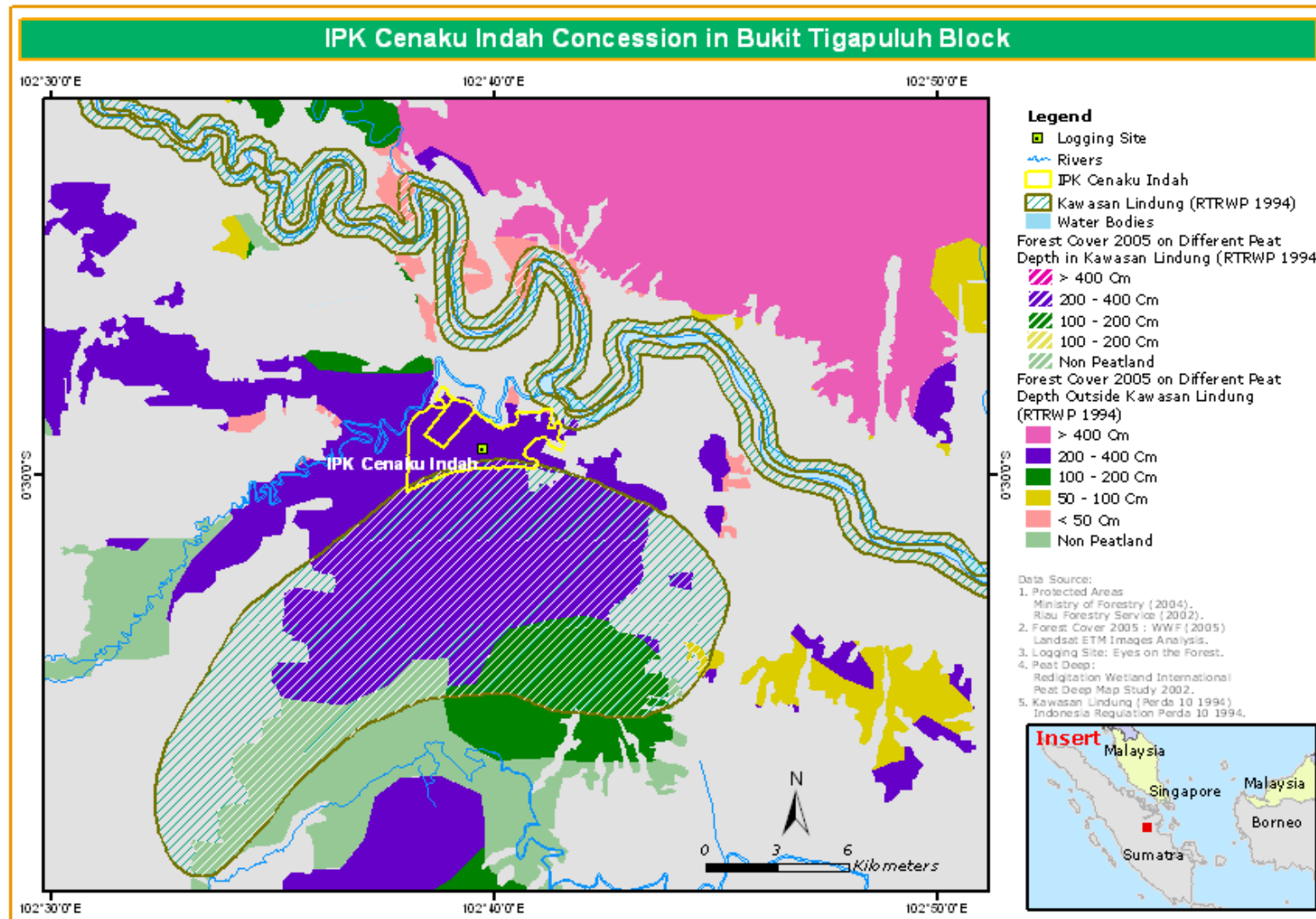
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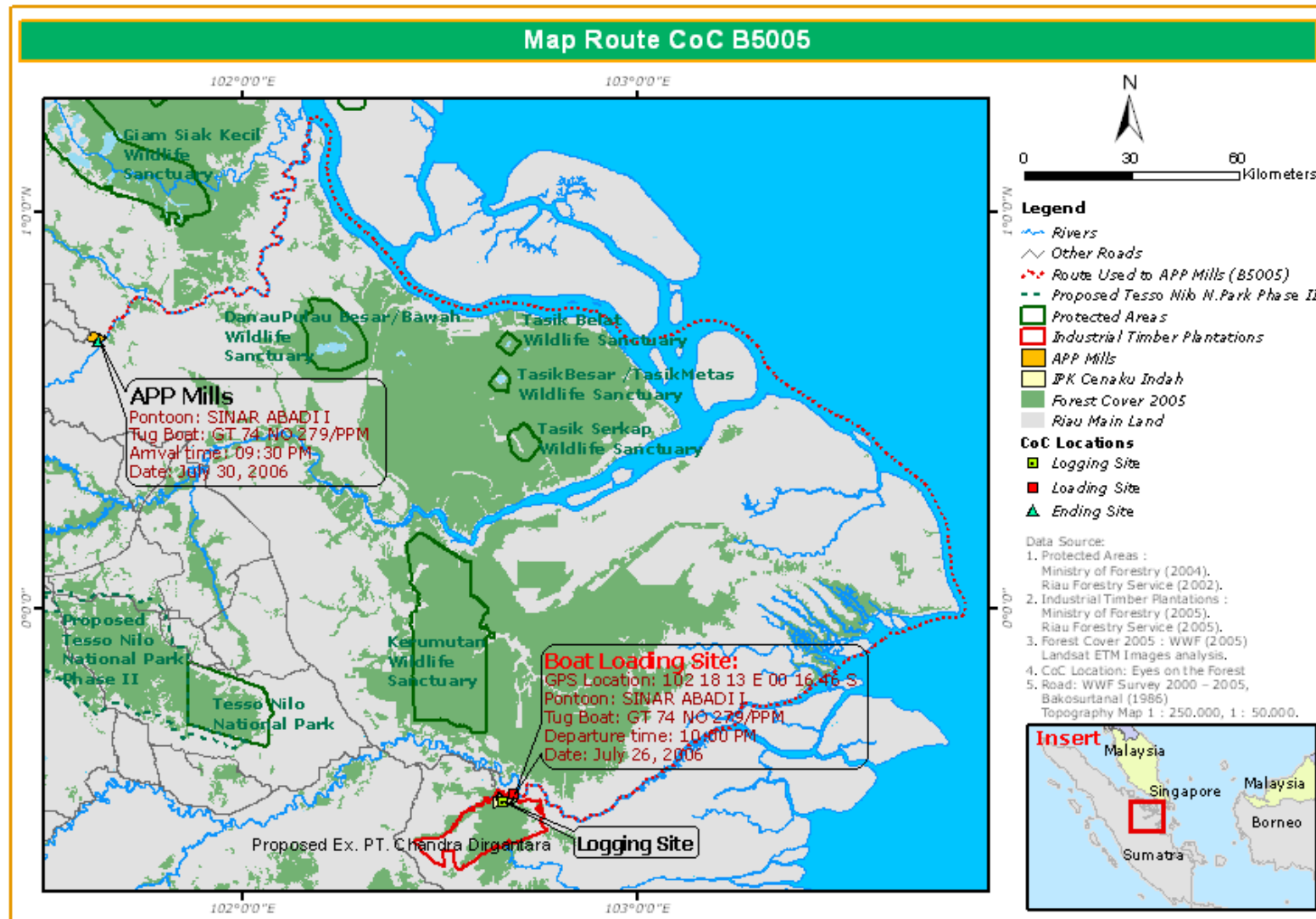
Map 1. Spatial Planning on MKS Concession in Kerumutan Block



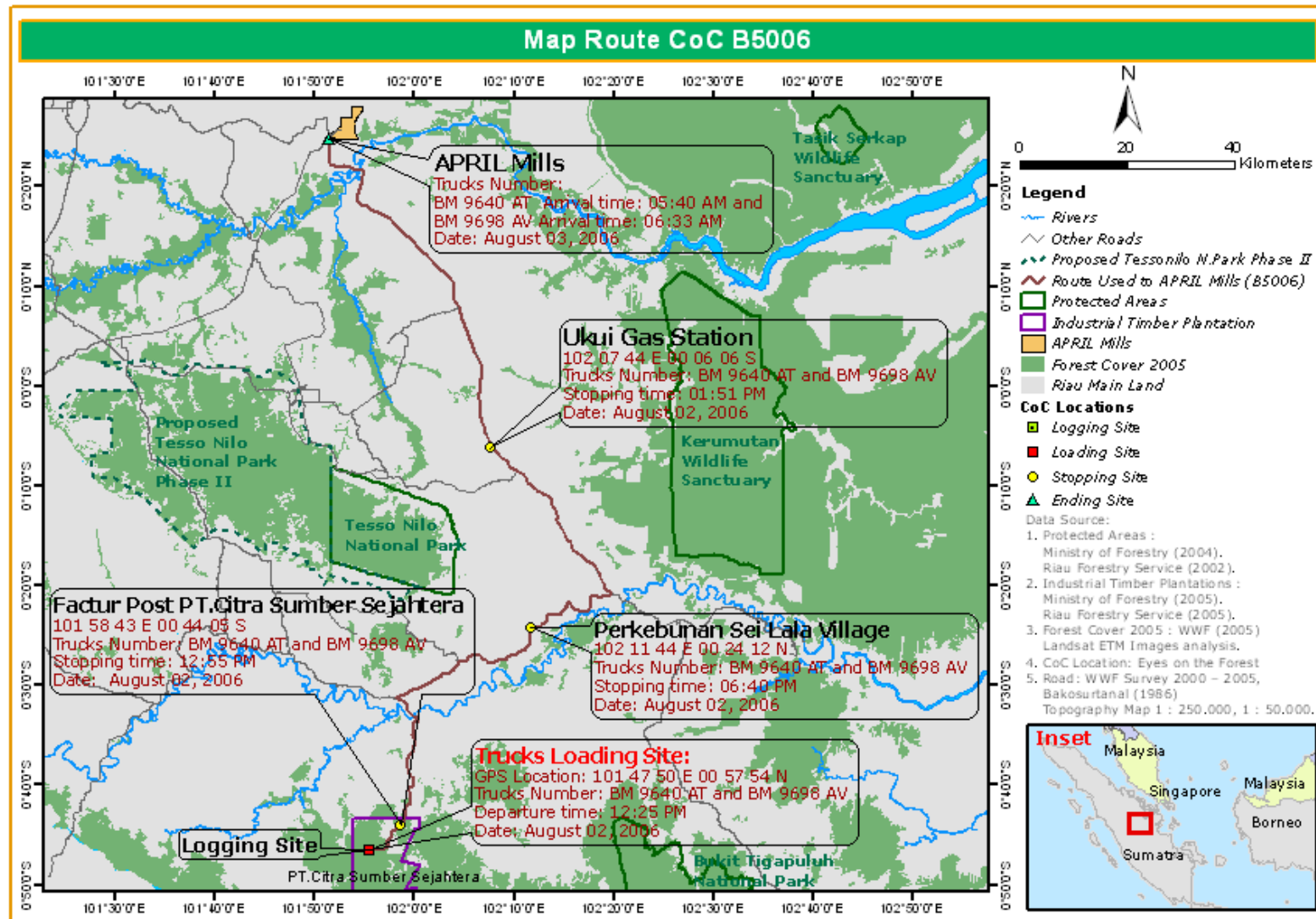
Map 2. Kerumutan B4010 Chain of Custody



Map 3. Cenaku Indah Concession in Bukit Tigapuluh Block



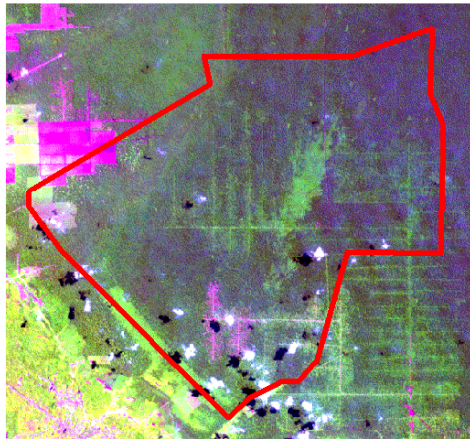
Map 4. Bukit Tigapuluh B5005 Chain of Custody



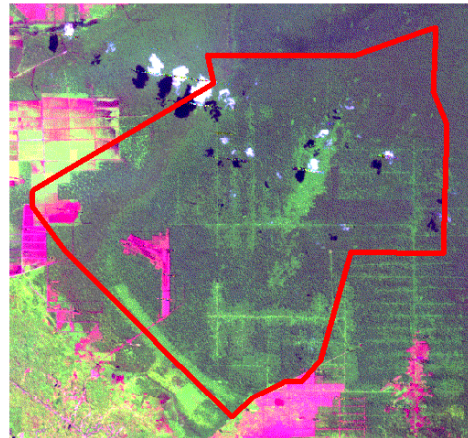
Map 5. Bukit Tigapuluh B5006 Chain of Custody



Sattelite Image Different Between 2002 - 2004 - 2005
Industrial Timber Estate Mitra Kembang Selaras



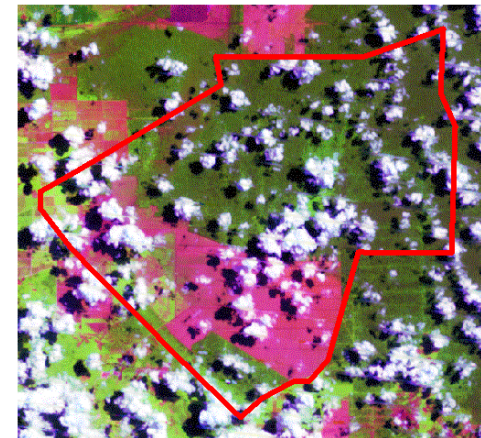
Sattelite Image Landsat 2002
Path 126 Row 60 - 2002



Sattelite Image Landsat 2004
Path 126 Row 60 - June 01, 2004

Legend

-  Industrial Timber Estate Boundary PT. Mitra Kembang Selaras
-  Lowland Natural Forest Closed Canopy
-  Lowland Natural Forest Medium Canopy
-  Lowland Natural Forest Open Canopy
-  Mars on Swampy
-  Oil Palm Plantations
-  Open Areas
-  Cloud Cover
-  Cloud Shadow



Sattelite Image Landsat 2005
Path 126 Row 60 - August 07, 2005

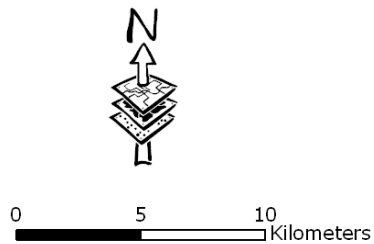
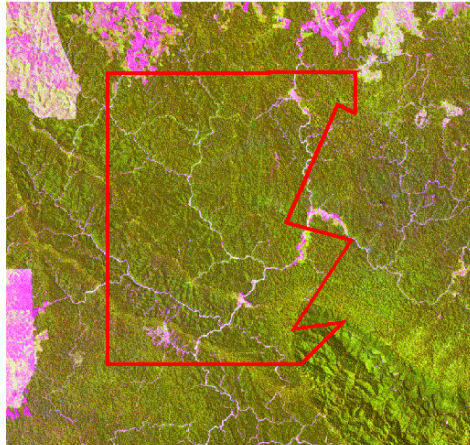


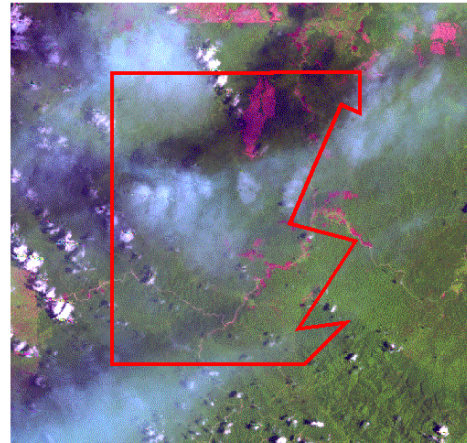
Image A



Sattelite Image Different Between 2002 - 2004 - 2005
Industrial Timber Estate Citra Sumber Sejahtera



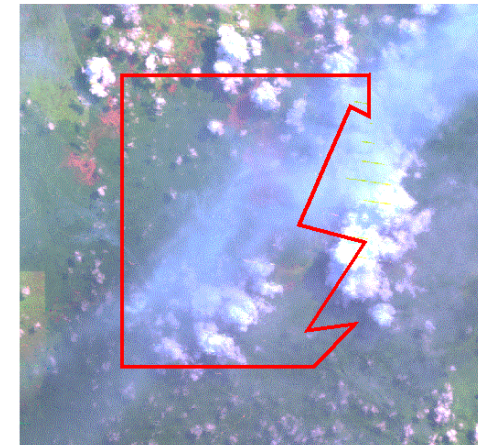
Sattelite Image Landsat 2002
Path 126 Row 61 - 2002



Sattelite Image Landsat 2004
Path 126 Row 61 - October 07, 2004

Legend

-  Industrial Timber Estate Boundary
-  PT. Citra Sumber Sejahtera
-  Lowland Natural Forest Closed Canopy
-  Lowland Natural Forest Medium Canopy
-  Lowland Natural Forest Open Canopy
-  Oil Palm Plantations
-  Open Areas
-  Cloud Cover
-  Cloud Shadow



Sattelite Image Landsat 2005
Path 126 Row 61 - July 07, 2005

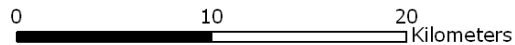


Image B