

Community Action for Forest Law Enforcement in Indonesia



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**Friends of the Earth
Indonesia**



The Indonesian Environmental Forum



Background

- What is illegal logging?
- Illegal logging or illegitimate logging?



Stereotypes or myths

- Local communities are “illegal loggers”
- Local communities sell the forestland and timber
- Lack of skill, management and technology



Issues

- Illegal logging is a reflection conflict of resources management (spatial, actor and type of management) between local communities and government
- Illegal logging in some cases is “disobedience” and “tragedy of the common”
- Illegal logging is insecurity of the property rights



Struggle for sovereignty

- Delineation of forest ancestral domain claim;
- Strengthening local institution: local law enforcement;
- Documentation and revitalisation of local customary law
- Enforcement of forestry law by communities, confiscation of logs.



Linkage to policy (national initiative)

- Natural resources act:
 - Integrated natural resources management
 - Prior informed consent
- Constitution amend and regulation reform:
 - Tenure issues and property rights
 - Land use



How WALHI's work support community action

- Practical level:
 - Case studies
 - With community encouraging local officer
- Program level:
 - Empowerment
 - Dialogue
 - Networking
 - Education
- Logging moratorium proposal



*Local forest law enforcement issue is
tenure issues*



The Indonesian Forum for Environment
Friends of the Earth Indonesia

“The more we consume, the less we live”

A WALHI Statement on the Forest Law Enforcement and Governance (FLEG) Ministerial Conference, Denpasar – Bali 11-13 September 2001

What is the FLEG Conference?

The FLEG Conference is an East Asia Ministerial Conference between the ministries of forestry or forestry related of government from East Asia, held between 11-13 September 2001 at the Bali Hyatt Hotel in Sanur-Denpasar, Bali. The conference is hosted with the cooperation of the Indonesian Ministry of Forestry and the World Bank, and is sponsored by the British and US governments.

A preparatory FLEG meeting was held on 2nd and 3rd of April this year in Jakarta. This was attended by government representatives from ASEAN, USA, England, Japan, China, Korea, Papua New Guinea, and Fiji. The aim was to encourage the governments' political will by presenting a declaration on illegal logging, as well as establishing the steps of action to be taken to overcome this problem.

The conference shall be held over a period of three days, the first two days for a technical discussion on the experiences of a number of similar areas throughout the world. The third day (September 13), the focus on forest ministers from several East Asian countries to discuss and endorse a declaration to controlling illegal logging and forest-crimes.

What are the objectives of the conference?

(1) To share and explore the best current thinking on forest law enforcement; (2) to deliberate further on the previously identified priority issues of forest law enforcement, including illegal logging in the East Asia region with senior officials from forests and related ministries, NGOs and representatives of the industry sector; and (3) to conclude with concurrence on a statement expressing political commitment for action at the country and regional level.

What is illegal logging?

Illegal logging is often associated with illegal trading, and has not only become a national, but also a regional and global problem. Similar experiences in numerous places demonstrates that levels of illegal logging is a reflection of corruption and generally is directly associated with the levels of corruption in the country itself. Illegal logging is an extremely complex issue and is not just forestry problem but broader as a political problem. Asides from being a symptom of corruption, illegal logging is also a reflection of mismanagement of forest resources.

Illegal logging is defined as a forest based on logging, transportation, and trading to the point of production wood which is breaking the law or national regulations. Under this formal definition, the level of illegal logging in Indonesia is thought to be around as high as 70 percent, at an official estimate.

Illegal logging simply can be explained as a logging operation that is not legal because it lacks official permission. Looking at the sustainability context, forest operations whether legally documented or not is equally problematic. Illegality and legality can only be differentiated by the existence of a legal document. In fact, looking at the context of sustainability, both are 'illegal'. In other words, almost all forest logging operations in Indonesia at this time are all illegal because both supports the continuity of an industry that are clearly over capacitated and are the biggest contributor to the destruction of natural forests and rampant illegal logging. So it is clear that Indonesia's forest management is unsustainable, destructive and out of control.

Such insight needs to be aroused in addressing the problem of illegal logging, so that we do not view the phenomena too narrowly, which inclines to blame the local people who are taken advantage of in such illegal logging operations, carried out in the interests of the wood industry.

If it is defined based on local and international regulations, then the level of illegal logging in Indonesia would almost definitely have already reached 100 percent, because most of the HPH concessions operating on *adat* (customary) forestland claimed by the government. Whether these projects are authorized or not, there are threatening the forest resources as well as the lives and the future of millions of local people.

Illegal logging and forest destruction

In Indonesia, illegal logging operations has spread like an acute epidemic during the last ten years. Research conducted by the English government in 1999 showed that every year 70 percent or about 56.6 million cubic meters of wood needed for national industries is supplied by both unrecorded and illegal logging.

The total amount of illegal logging alone is sure to be more than 56 million cubic meters, remembering that part of the wood taken from illegal logging is also exported overseas. In the year 2000 ITTO reported that there had been a dispute over more than 0.5 million cubic meters in the wood export figures between Indonesia and Malaysia. Of course that figure was the formal figure of wood that they had a chance to note down. Let us not forget that the Malaysian wood deficit is as much as 9 million cubic meters; therefore the overseas trafficking of wood through Malaysia is sure to be a huge amount.

Illegal logging has become one of the main causes of forest destruction and depletion, which now has reached two to three million hectares per year. According to a World Resource Institute (WRI) report made in 1998, Indonesia has lost 72% of its original forests. With such rapid forest destruction, due to conversion and massive logging (whether illegal or not), it is estimated that at the present time only 20 million hectares of original forest remains in Indonesia. Most of these remaining areas are concentrated in the conservation regions, which are still threatened by illegal logging operations.

Why does illegal logging happen?

Every year, this country consume amount of 51.1 million cubic meters for domestic use alone, and as much as 48.9 million cubic meters for export purposes. With the export of a total of 21.9 cubic meters, as much as 78.1 million cubic meters of wood is taken from Indonesian forests each year. Forestry-based industries demand, which is four times bigger than the forests' potential to produce timber, is officially one of the root problems of illegal logging.

Investment in the timber industry, especially in the pulp and paper sector has become one of the main causes of illegal logging that has contributed to deforestation. Out of 100 million cubic meters of timber

consumed by the pulp and paper industry between 1998 and 1999, only 8% was from planted forests (HTI). A large amount of the timber consumed was from a non-sustainable resource and in many cases the resource was illegal. Between 1998 and 1999 the pulp and paper industry consumed 92 million cubic meters of mixed-tropical wood produced from natural forests and forests owned by the local people.

Donor countries such as members of G8 and CGI strongly encouraged Government of Indonesia to take real steps to protect the forests. However, the reality of it is that by supporting the pulp and paper industry that is so dependent on illegal logging, these countries in fact play a central role in deforestation in this country. The pulp and paper industry that has become the cause of the deforestation on a wider level is probably operated through the support of Export Credit Agencies (ECA) from Europe, Japan, and USA.

During the 1990s ECAs from Japan, Germany, Sweden, Finland, USA, Austria, Denmark, Canada, and Italia competed to encourage the increase of the capacity of the pulp and paper factories, that has become known as a giant capacity industry, a cause of deforestation, a complete negligence of human rights, as well as huge debts and other financial problems. Europe, Japan, and America themselves have a vested interest in the pulp and paper, remembering that almost all the machinery and most of the chemicals are imported from overseas, in particular from those countries. (Fried and Suntoro, 2000).

Until now, forest areas have been claimed to be state forests. Local people are not only not recognized, but due to government policy have completely lost any rights to the forests. The lack of recognition of forest areas has allowed the forests to become to open access areas. Naturally, unclaimed land has become the target for illegal logging operations. The policy-based government domination over the forests has caused these areas to become of no value, leaving nobody to supervise the forest regions, resulting in uncontrolled, illegal logging.

How to end illegal logging

Illegal logging is simply a symptom of a more fundamental underlying problem: an over capacity timber industry. At a base level, illegal logging plays a key role in the fulfillment of the huge needs of the timber industry. Although, the fact is that this problem is on the contrary seen to be the other way round. The government will not admit that there is an over capacity, but rather a lack of timber supply.

Seven out of ten pieces of wood in Indonesia is illegal timber, which means that more than of the timber industry takes advantage of illegal logging. Upon analysis, we can clearly see what the main cause of illegal logging in fact is.

Illegal logging can only be overcome by looking at the problems that cause it: over capacity in the timber industry, the low value of forest resources, no property rights, and the extractive HPH system. Trying to overcome illegal logging through timber raids will only waste government money, and will never fix the problem in the long term. To end the illegal logging requires an effective cure, that can really reach the root of the disease, not just the symptoms; this means a cure for the disease of the aforementioned over capacity industry, as well as secured property rights over the forests.

The existence of slack laws and a high level of in-bred corruption and collusion will continue to make it difficult for any efforts to fight illegal logging. Moreover, the fact is that the timber laundered from the forests is done so with "permission" from the timber authorities and with military protection (any illegal activities are realistically only possible with the protection of law enforcement officers themselves).

Control of illegal logging will only be effective if a system of timber tracking is effectively put into place, over a medium term, rationing the capacity industry making at a total of 20 million cubic meters per year. As long as the current timber operational and trading system exists, it will be almost impossible for this country to ever break free from the problem of illegal logging.

Can the public overcome the problem of illegal logging?

Historically and culturally, the forests belong to the people. Recognition and political protection of these rights shall become a precondition for the protection of forest resources against the threat of forest destruction. At a basic level, illegal logging is also a dispute over spatial between the state and the people. Public control over forest resources taken by force has caused forest areas to become unsupervised areas. The government claims to own the forests, however they do not have the capacity to supervise these vast forest regions.

In many forest regions a tragedy of the common people is taking place, where the local people have taken onboard the concept "rather than someone else takes it, we may as well take it for ourselves". This attitude is in fact a conflicting attitude, which in the end is going to case all parties to lose out. We must stop such attitudes and encourage a sense of ownership, which will preserve and protect the forest regions. There have been many examples of this in the areas of West Nusantara, West Kalimantan, Sulawesi Tenggara, where the local people have recognized this attitude as an effective way to deal with illegal logging in their regions.

Forest management by the local people must become management of the forests of the future. This management at the same time will become the key to the illegal logging problem. The traditional rights of the people are the keys to encouraged action regarding forest protection from society.

How can a moratorium on industrial logging overcome illegal logging?

Indonesian forestry is at a most critical point, which means we have to make a fundamental change to forest management. The Sumatran tropical rainforests will be completely depleted in 5 years, whilst those in Kalimantan will disappear in 10 years, and those in Sulawesi and Papua New Guinea will disappear in 15 years; for the most part this is due to illegal logging. This is not very far away. It means that in a short time this country will lose an income of 7 million dollars a year and 40 million people whose lives depend on the forest will be drastically affected.

Moratoriums on industrial logging such as those which have taken place in Thailand, Papua New Guinea, and China shall become preconditions which may give a chance to governments to do timber tracking on illegal timber easily. Logging moratoriums can prevent the legalization of stolen timber, because at the time of these moratoriums not one piece of timber may be taken from the forests. The forestry industry also has to be encouraged to import wood and on the other side must refrain from exporting round wood, whilst at the same other doubled profit shall correct the distortion of prices of domestic timber and the world market.

Moratoriums will also be a step for carrying out all of the governments commitments to overcome structural problems in forestry, such as forest fires, the massive debt due to restructuring in the industry, recalculation of forest resources, establishment of a national forestry program, tenure issues, and other problems (for further information please see the document of call for moratorium on industrial logging).

Will FLEG be able to overcome the problem of forest crime in Indonesia?

Initiative such as the FLEG conference is not a completely new initiative. Last year, the World Bank and WWF also held a meeting to discuss the same issue, topics, and agenda. With the encouragement of CGI, the Indonesia government has also a series of projects which in summary aimed to encourage changes in the management of forest resources and fight forest crime. As far as organizations, in July 2000 the government has formed IDCF (Inter Department Committee on Forestry). The results? There have been no changes out there.

There are at least several reasons why such initiative has not been effective. First, the initiative rarely evolves from the Indonesian government, rather from outside parties, particularly donors. Since the

initiative originates from outside, the agenda and the changes belong to the donors, not the Indonesian government. The Indonesian government will continue to smile sweetly in the face of the donors and the international community and will never make any changes, unless the government of Indonesia feel a sense of crisis concerning the destruction of forest resources taking place today. It would be better to encourage a process where the government makes an agenda that takes the form of a civil society mandate, rather than leaving the agenda of changes to be carried out by the government. In this way this process will not stray from the wider democratic agenda that should occur in Indonesia.

Secondly, donor countries play an ambivalent role in forestry problems in Indonesia. Almost all the donor countries have investment in the forestry sector in Indonesia, which has become a cause of forest destruction in Indonesia. It would be better if the donor countries also encourage reform in investment policies by improving environmental and social standards in Indonesia of the investment in the sector, such as investment in the pulp and paper industry and large-scale plantation, two main reasons for deforestation in Indonesia. The donor countries should also create policies in their own countries for purchasing the wood-base materials which originate from Indonesia, in the way the British government have done, which in a strict way has laid down conditions over timber resources supplied from Indonesia. This policy has not yet been agreed upon by China, Japan, Malaysia, and Korea, which are the biggest consumers of timber in Indonesia.

Thirdly, action plans often do not solve the root of the problem. An over-capacity industry always has exceptions and will never be completely controlled. By limiting the forestry industry, eventually all industries will suffer. Plans to restructure the forestry industry are still based on financial problems and ignore the problems of conservation. Appropriate action with the social and economic environment in mind is yet to be carried out by the government of Indonesia.

The FLEG conference will put a stop the ceremonial meetings and the lack of changes in forest crime (business as usual). FLEG must result in political recognition and firm commitment to overcome the logging and trading of illegal timber, as well as other forest crimes. In reality, this commitment must include key issues such as problems of corruption, rights of the local people, and the problem of an over-capacity industry.

FLEG should also not only in a beautiful declaration without describing the concrete steps for carrying out the political commitment of those heads of government who attend the conference. Such government declarations must also include a framework and cooperate with the people to carry out, supervise and evaluate the achievements within a specified time span. [end]

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