

**MINISTERIAL DECREE OF FORESTRY  
OF THE REPUBLIC OF INDONESIA  
Number: P.16 / Menhut-II / 2014  
ON GUIDELINES OF BORROW-TO-USE AREA OF FOREST**

**BY THE GRACE OF GOD ALMIGHTY  
MINISTER OF FORESTRY  
OF THE REPUBLIC OF INDONESIA,**

- Considering
- a. that as the implementation of the Government Regulation Number 24 Year 2010 concerning Forest Area, as having been amended by Government Regulation Number 61 Year 2012, it has been enacted Ministerial Decree of Forestry Number P.18/Menhut-II/2011 on Guidelines for Borrow-to-use Forest Area, as having been amended by Ministerial Decree of Forestry Number P.14/ Menhut-II/2013;
  - b. that in order to improve the governance, the control of forest use, and the quick services for borrow-to-use forest areas it shall be necessary to enact a Ministerial Decree of Forestry on Guidelines of Borrow-to-use Area of Forest;
  - c. Based on the considerations as cited in letters a and b, it shall be necessary to enact a Ministerial Decree of Forestry on Guidelines of Borrow-to-use Area of Forest;
- Referring to in
1. Law Number 5 Year 1990 on Conservation of Natural and Bio Resources and Ecosystems (State Gazette of the Republic of Indonesia Year 1990 Number 49, Supplement to State Gazette of the Republic of Indonesia Number 3419);
  2. Law Number 20 Year 1997 on State's non-tax revenues (State Gazette of the Republic of Indonesia Year 1997 Number 43, Supplement to State Gazette of the Republic of Indonesia Number 3687);
  3. Law Number 41 Year 1999 on Forestry (State Gazette of the Republic of Indonesia Year 1999 Number 167, Supplement to State Gazette of the Republic of Indonesia Number 3888), as amended by Law No. 19 Year 2004 on Government Regulation in Lieu of Law Number 1 Year 2004 on Amendment of Law Number 41 Year 1999 on Forestry, of which is to become a Law (State Gazette of the Republic of Indonesia Year 2004 Number 86, Supplement to State Gazette of the Republic of Indonesia Number 4412);
  4. Law Number 21 Year 2001 on Special Autonomy for Papua Province (State Gazette of the Republic of Indonesia Year 2001 Number 135, Supplement to State Gazette of the Republic of Indonesia Number 4151);
  5. Law Number 22 Year 2001 on Oil and Gas (State Gazette of the Republic of Indonesia Year 2001 Number 136, Supplement to State Gazette of the Republic of Indonesia Number 4152);

6. Law Number 3 Year 2002 on National Defense (State Gazette of the Republic of Indonesia Year 2002 Number 3, Supplement to the State Gazette of the Republic of Indonesia Number 4169);
7. Law Number 32 Year 2004 on Regional Government (State Gazette of the Republic of Indonesia Year 2004 Number 125, Supplement to State Gazette of the Republic of Indonesia Number 4437), which has been amended by Law Number 12 Year 2008 (State Gazette of the Republic of Indonesia Year 2008 Number 59, Supplement to State Gazette of the Republic of Indonesia Number 4844);
8. Law Number 11 Year 2006 on Aceh Government (State Gazette of the Republic of Indonesia Year 2006 Number 62, Supplement to State Gazette of the Republic of Indonesia Number 4633);
9. Law Number 26 Year 2007 on Spatial Planning (State Gazette of the Republic of Indonesia Year 2007 Number 68, Supplement to State Gazette of the Republic of Indonesia Number 4725);
10. Law Number 4 Year 2009 on Mineral and Coal Mining (State Gazette of the Republic of Indonesia Year 2009 Number 4, Supplement to State Gazette of the Republic of Indonesia Number 4959);
11. Law Number 25 Year 2009 on Public Services (State Gazette of the Republic of Indonesia Year 2009 Number 112, Supplement to State Gazette of the Republic of Indonesia Number 5038);
12. Law Number 32 Year 2009 on Protection and Environmental Management (State Gazette of the Republic of Indonesia Year 2009 Number 140, Supplement to State Gazette of the Republic of Indonesia Number 5059);
13. Law Number 18 Year 2013 on Prevention and Eradication of Forest Destruction (State Gazette of the Republic of Indonesia Year 2013 Number 130, Supplement to State Gazette of the Republic of Indonesia Number 5432);
14. Government Regulation Number 35 Year 2004 on Upstream Activities of Oil and Gas (State Gazette of the Republic of Indonesia Year 2004 Number 123, Supplement to State Gazette of the Republic of Indonesia Number 4435), as having been amended by Government Regulation Number 34 Year 2005 (State Gazette of the Republic of Indonesia 2005 Number 81, Supplement to State Gazette of the Republic of Indonesia Number 4530);
15. Government Regulation Number 44 Year 2004 on Forestry Planning (State Gazette of the Republic of Indonesia Year 2004 Number 146, Supplement to State Gazette of the Republic of Indonesia Number 4452);
16. Government Regulation Number 45 Year 2004 on Protection of Forests (State Gazette of the Republic of Indonesia Year 2004 Number 147, Supplement to State Gazette of the Republic of Indonesia Number 4453), as having been amended by

Government Regulation Number 60 Year 2009 (State Gazette of the Republic of Indonesia Year 2009 Number 137, Supplement to Gazette of the Republic of Indonesia Number 5056);

17. Government Regulation Number 6 Year 2007 on Forest Management and Preparation of Plan about Forest Management and Forest Utilization (State Gazette of the Republic of Indonesia Year 2007 Number 22, Supplement to State Gazette of the Republic of Indonesia Number 4696), as having been amended by Government Regulation Number 3 Year 2008 (State Gazette of the Republic of Indonesia Year 2008 Number 16, Supplement to State Gazette of the Republic of Indonesia Number 4814);
18. Government Regulation Number 38 Year 2007 on Split of Governmental Affairs between Central Government and Provincial Government and Regional Government of Regency/ Municipality (State Gazette of the Republic of Indonesia Year 2007 Number 82, Supplement to State Gazette of the Republic of Indonesia Number 4737);
19. Government Regulation Number 2 Year 2008 on Types and Tariffs of State's Non-tax Revenues deriving from the utilization of area of forest for development in addition to the activities of forestry in the Ministry of Forestry (State Gazette of the Republic of Indonesia Year 2008 Number 15, Supplement to State Gazette Indonesia Number 4813);
20. Government Regulation Number 26 Year 2008 on National Spatial Plan (RTRWN) (State Gazette of the Republic of Indonesia Year 2008 Number 48, Supplement to State Gazette of the Republic of Indonesia Number 4833);
21. Government Regulation Number 76 Year 2008 on Forest Rehabilitation and Reclamation (State Gazette of the Republic of Indonesia Year 2008 Number 201, Supplement to State Gazette of the Republic of Indonesia Number 4947);
22. Government Regulation Number 15 Year 2010 on Implementation of Spatial Planning (State Gazette of the Republic of Indonesia Year 2010 Number 21, Supplement to State Gazette of the Republic of Indonesia Number 5103);
23. Government Regulation Number 22 Year 2010 on Mining Areas (State Gazette of the Republic of Indonesia Year 2010 Number 28, Supplement to State Gazette of the Republic of Indonesia Number 5110);
24. Government Regulation Number 23 Year 2010 on Implementation of Mineral and Coal Mining Activities (State Gazette of the Republic of Indonesia Year 2010 Number 29, Supplement to State Gazette of the Republic of Indonesia Number 5111), as having been amended by Government Regulation Number 1 Year 2014 (State Gazette the Republic of Indonesia Year 2014 Number 1, Supplement to State Gazette of the Republic of Indonesia Number 5489);
25. Government Regulation Number 24 Year 2010 on Utilization of Area of Forest (State

Gazette of the Republic of Indonesia Year 2010 Number 30, Supplement to State Gazette of the Republic of Indonesia Number 5112), as having been amended by Government Regulation Number 61 Year 2012 (State Gazette of the Republic of Indonesia Year 2012 Number 140, Supplement to State Gazette of the Republic of Indonesia Number 5325);

26. Government Regulation Number 72 Year 2010 on State's Public Company of Forestry (Perum Perhutani) (State Gazette of the Republic of Indonesia Year 2010 Number 142);
27. Government Regulation Number 27 Year 2012 on Environmental Permit (State Gazette of the Republic of Indonesia Year 2012 Number 48, Supplement to State Gazette of the Republic of Indonesia Number 5285);
28. Presidential Decree of the Republic of Indonesia Number 5 Year 2006 on National Energy Policy;
29. Presidential Decree of the Republic of Indonesia Number 41 Year 2004 on Permit or Agreement of Mining in Area of Forest;
30. Presidential Decree of the Republic of Indonesia Number 47 Year 2009 on Creation and Organization of State Ministry as having been amended by Presidential Decree of the Republic of Indonesia Number 55 Year 2013;
31. Presidential Decree of the Republic of Indonesia Number 24 Year 2010 on Position, Duty and Function of State Ministry and Organizational Structure, Duty and Function of Echelon I, as having been amended by Presidential Decree of the Republic of Indonesia Number 56 Year 2013;
32. Presidential Decree of the Republic of Indonesia Number 28 Year 2011 on Utilization of Area of Protected Forest for Underground Mining;
33. Ministerial Decree of Forestry Number P.40/Menhut-II/2010 on Organization and Administration of Ministry of Forestry (State Official Report of the Republic of Indonesia Year 2010 Number 405) as having been amended by Ministerial Decree of Forestry Number P.33/Menhut-II/2012 (State Official Report of the Republic of Indonesia Year 2012 Number 779); by taking into account Letter from Minister of Energy and Mineral Resources Number 4250/30/MEM.B/2010 dated June 21, 2010 concerning the preparation of Criteria of Significant Impacts in Coverage of Areas with Strategic Values.

DECIDES:

To Enact

MINISTERIAL DECREE OF FORESTRY ON GUIDELINES OF BORROW-TO-USE AREA OF FOREST.

## **CHAPTER I GENERAL PROVISIONS**

**Part I**  
**Article 1**

In this Ministerial Decree, what is defined as:

1. Forest shall be an ecosystem including landscape with natural and bio-resources as dominated by trees in their natural environment, of which one with another shall be inseparable.
2. Forest Area shall be a specific area designated by the Government to be maintained as a permanent forest.
3. Production Forest shall a forest that has principal function as a source of forestry produces.
4. Protected Forest shall be a forest that has a principal function as a protection of life-support system that can control the water flow, prevent floods, erosion, sea water intrusion and maintain soil fertility.
5. The use of forest shall be the use of a portion of area of forest for development excluding forestry activities without changing the function and designation of the area of forest.
6. The use (utilization) of forest for non-commercial purpose shall be the use of forest area not for profit orientation.
7. The use of forest for commercial purpose shall be the use of forest area for profit orientation.
8. The permit of borrow-to-use area of forest shall be the permit for the use (utilization) of area of forest for development excluding forestry activities without changing the function and designation of the forest.
9. Activity that has a strategic goal shall be the activity that is prioritized because of its very important impact on a national basis for the sake of the sovereignty, defense and security of the State, economic growth, social, cultural and/or environmental development.
10. Compensation shall be obligatory for the holder of permit of borrow-to-use area of forest and it shall be in form of providing a land area of non-forest or a payment of sum of money that is categorized as State's non-tax revenue (PNBP) as substitution for the compensation of land area in compliance with the prevailing laws and regulations.
11. State's non-tax revenue (PNBP) for the use of forest area hereinafter referring to PNBP for Forest Area shall be State's Non-tax Revenue derived from the use of land area of forest for development excluding forestry activities in Ministry of Forestry,

of which is regarded as substitution of land compensation in compliance with the prevailing laws and regulations.

12. The condition (status) of prospective (would-be) land area of compensation that is considered not problematic in term of the fact (de facto) and legality (de jure) shall be the condition of prospective land area of compensation that has a clear status, not in dispute, not under the control of unauthorized parties, not undertaking certain land rights and not being managed by another party.
13. Forest reclamation shall be an attempt to repair or restore the forest or land as well as vegetation within an area of forest, of which has been damaged because of the use of the area of forest and there shall be an effort to make the forest area regain its function optimally based on its purpose.
14. Reforestation shall be an effort of planting the species of forest trees within the area of forest that has been damaged and become an area of bare land, of shrubs or bushes, of which needs to be restored to regain the forest function.
15. L1 shall be a disturbed area because of the use of forest for the development of supporting facilities and infrastructures on a permanent basis during a period of use of the area of forest.
16. L2 shall be a disturbed area because of the use of forest area on a temporary basis, of which can technically be reclaimed immediately.
17. L3 shall be a disturbed area because of the use of forest area on a permanent basis, of which can technically be reclaimed.
18. The baseline of the use of forest area shall be on a quantitative and qualitative description of the initial condition of borrow-to-use land area of forest that will later on be covered or blanketed based on categories of L1, L2, and L3, of which is used for the classification of land condition that can or cannot be revegetated for the sake of assessment of successful reclamation.
19. The effective area of forest to be utilized shall be the area of forest for utilization based on the permit after having been deducted by area of facilities and infrastructures and area of protected forest.
20. Minister shall be the Minister who is in charge of governmental affairs in the sector of forestry.
21. Secretary General shall be the Secretary General under the Ministry of Forestry.
22. Director General shall be the Director General who is assigned for the duty and responsibility of forestry plannology (planning).

**Part II**  
**General**

## **Article 2**

The utilization (use) of forest shall be aimed to regulate the use of part of area of forest for the sake of development excluding forestry activities.

## **Article 3**

(1) The use of forest as cited in Article 2 shall be allowed in:

- a. area of production forest; and / or
- b. area of protected forest.

(2) The use of forest as cited in paragraph (1) shall be allowed as long as there is no changing of basic function of forest by taking into account the size limit of area and time as well as environmental preservation.

## **Article 4**

(1) The use of forests for development excluding forestry activities shall be allowed only for activities that have a strategic goal that is obligatory.

(2) The purpose of development excluding forestry activities as cited in paragraph (1), among others, shall include:

- a. the development of places for religious worship, cemetery and spiritual tourism;
- b. the development of mining of oil and gas, mineral, coal and geothermal, including the facilities and infrastructures;
- c. the installation of power generation, transmission and distribution of electricity as well as the application of technology of new and renewable energy sources;
- d. the telecommunications networks, radio stations, and television relay stations;
- e. public roads, highways, and railways;
- f. transport infrastructures that are not categorized as public transport infrastructures for the purpose of deliveries of production;
- g. facilities and infrastructures for water resources, construction of water installation network, and passageways (drains) of water supply and/or waste water;
- h. public facilities;
- i. industries other than primary industry of forest produces;
- j. development for defense and security, among others, the facilities and infrastructures of combat training, radar stations and lookout towers;
- k. supporting infrastructures for public safety, among others, the safety of sea traffic, air traffic, land traffic and means of meteorology, climatology and geophysics;
- l. temporary shelter of victims of natural disasters;

- m. certain agriculture for the sake of food resilience; or
  - n. certain agriculture for the sake of energy resilience.
- (3) transport infrastructures as cited in paragraph (2) letter f, among others, the construction of roads, canals, harbors or the like for the purpose of transporting the products of mining, plantation, agriculture, fisheries or other.

#### **Article 5**

- (1) The use of forest area for mineral and coal mining activities as cited in Article 4 paragraph (2) letter b shall be as follows:
- a. in production forest is allowed:
    - 1. mining with an open-pit mining method; and
    - 2. mining with an underground-mining method.
  - b. in protected forest is allowed only a method of underground mining with the requirements as follows:
    - 1. prohibited to let the ground surface fall;
    - 2. prohibited to change the basic function of forest permanently; and
    - 3. prohibited to cause a damage of “aquiver” of groundwater.
  - c. for 13 (thirteen) permits/agreements in the mining sector as stipulated in Presidential Decree Number 41 Year 2004 in compliance with Law Number 41 Year 1999 on Forestry, as having been amended by Law Number 19 Year 2004, it shall be allowed to carry out mining activities with a method of open-pit mining in protected forest.
- (2) The use of protected forest for mining activities with a method of underground mining as cited in paragraph (1) letter b shall be in compliance with the prevailing laws and regulations.

#### **Article 6**

- (1) The use of forest shall refer to the permit of borrow-to-use area of forest.
- (2) Permit of borrow-to-use area of forest as cited in paragraph (1) shall be used as follows:
- a. Permit of borrow-to-use area of forest of less than 30 (thirty) percent of the total area of river watershed, island, and/or Province, with compensation for land at:
    - 1. ratio of 1: 1 for non-commercial purpose plus an area as planned that

might be disturbed/ impacted under category L3;

2. ratio of 1: 2 for commercial purpose plus an area as planned that might be disturbed under category L3; and
  3. if the realization of L3 is greater than the area as planned under category L3 as cited in points 1 (one) and 2 (two), then the land area of compensation shall be added with an area of difference between L3 as planned and L3 as realized;
- b. the permit of borrow-to-use area of forest in Province whose forest area is greater than 30 (thirty) percent of the total area of river watershed, island, and/or Province, shall be subject to a payment of compensation of PNBP for the use of forest area and subject to planting vegetation in order to rehabilitate the river watersheds, with further requirements as follows:
1. the use for non-commercial purpose shall be subject to a payment of PNBP for the use of forest area and subject to planting vegetation in order to rehabilitate the river watersheds at ratio of 1: 1;
  2. the use for commercial purpose shall be subject to a payment of compensation of PNBP for the use of forest area and subject to planting vegetation in order to rehabilitate the river watersheds at a ratio of 1:1 plus a would-be disturbed area as planned under category L3;
- c. The permit of borrow-to-use area of forest without compensation of land area or without a payment of compensation of PNBP for the use of forest area and without obligation to plant vegetation to rehabilitate the river watersheds, provided it is only for:
1. the activities of defense and security, the means of safety of sea traffic, land traffic or air traffic, checking of dam, reservoir, "sabo", and the means of meteorology, climatology and geophysics;
  2. the activities of survey and exploration;
- (3) The planting of vegetation to rehabilitate the river watersheds as cited in paragraph (2) letter b shall be regulated under a Ministerial Decree.

#### **Article 7**

- (1) The activities for the sake of development excluding forestry activities that can support the forest management directly or indirectly shall be carried out under a mechanism of cooperation.
- (2) The types of activities that can be undertaken in cooperation as cited in paragraph (1), among others, shall include:

- a. the development of places for religious worship, cemetery/ graveyards, public and spiritual tourism;
- b. the development of micro hydro power plants;
- c. the planting/installing pipelines or cables;
- d. the installation of electrical lines into villages (not SUTT);
- e. the development of canals/drains, normalization of river/canal for irrigation, and the making of embankment;
- f. the place of disposal of wastes with final products like compost and biogas;
- g. the development of rest area;
- h. the improvement of pathways or public roads as a means of transportation of production;
- i. the development of supporting infrastructures for public safety such as for the safety of sea traffic, air traffic, and land traffic and as a means of meteorology, climatology and geophysics as well as disaster mitigation monitoring tool;
- j. the construction of dam;
- k. the construction of water tanks;
- l. the installation of billboards;
- m. the planting by any party outside those of the forestry for the sake of reclamation and rehabilitation;
- n. the development of experimental plantation and supporting infrastructures; or
- o. the use as a combat training area in addition to the development of facilities and infrastructures.

(3) the cooperation as cited in paragraph (1) shall be previously approved by Director General on behalf of Minister.

(4) The procedure for cooperation as cited in paragraph (1) shall be regulated under the regulation issued by Director General.

#### **Article 8**

(1) The use of forest by other parties for the development of roads by the holder of permit for forest utilization or by Perum Perhutani or by the Operator of Forest Areas for Specific Purposes (KHDTK) or by the holder of permit of borrow-to-use area of forest, shall be under a mechanism of utilization of shared facilities, not with the issuance of permit of borrow-to-use area of forest.

(2) The Scheme of the use of shared facilities as cited in paragraph (1) shall be regulated under clauses of agreement.

#### **Article 9**

(1) The permit of borrow-to-use area of forest as cited in Article 6 paragraph (1) shall be granted by Minister as per request.

(2) The authority to grant the permit of borrow-to-use area of forest as cited in

paragraph (1) shall be delegated to Governor, providing it is for the development of non-commercial public facilities in a maximum area of 5 (five) hectares.

- (3) The procedure and requirements on the application for the permit of borrow-to-use area of forest as delegated to Governor as cited in paragraph (2) shall be regulated by Director General.

#### **Article 10**

- (1) For the use of forest area for mining that has significant implications and extensive coverage with strategic values, the permit of borrow-to-use area of forest shall be granted with an approval from People's House of Representatives (DPR)
- (2) Criteria for the use of forest area for mining that has significant implications and extensive coverage with strategic values as cited in paragraph (1) shall be:
  - a. the mining within an area of special mining undertakings (WUPK) originating from State's Territory for Reserves (WPN), of which has been approved by People's House of Representatives (DPR);
  - b. The approval from People's House of Representatives (DPR) as cited in letter a shall be based on the permit of borrow-to-use area of forest within the whole WUPK, of which is then considered as an Area of Permit for Special Mining Undertakings (WIUPK).
- (3) The mining as cited in paragraph (2) letter a shall need a Strategic Environmental Assessment (KLHS) when WPN is converted into WUPK as in compliance with the laws and regulations.

#### **Article 11**

- (1) The size of area for the permit of borrow-to-use area of forest for mining activities equipped with a permit for the utilization of forest shall be considered at most of 10 (ten) percent of the effective area of each permit for the utilization of forest.
- (2) In case that the use of area of production forest as requested for mining activities that is not equipped with permit for the utilization of forest as cited in paragraph (1), the size of area of the permit of borrow-to-use area of forest shall be considered at most 10 (ten) percent of the total area of production forest in regency /municipality, of which is not equipped with a permit for the utilization of area of forest.
- (3) The size of area for the permit of borrow-to-use area of forest for mining activities within the work area of Perum Perhutani shall be considered at most of 10 (ten) percent of the unit of area of forest under the management of Perum Perhutani.
- (4) In case that the area as requested for the utilization of forest for mining activities is located within a protected forest, the size of area of the permit of borrow-to-use

area of forest shall be considered at most 10 (ten) percent of the total area of protected forest.

(5) The consideration for the utmost of 10 (ten) percent as cited in paragraphs (1), (2), (3) and (4), among others, shall be based on:

- a. the control of the use of forest area; and
- b. the continuity of undertakings of the permit for the utilization of forest or the management of area of forest.

(6) The consideration for the utmost of 10 (ten) percent as cited in paragraphs (1), (2), (3) and (4) shall not be applicable for the permit of borrow-to-use area of forest for the activities of:

- a. survey or mining exploration; and
- b. production and operations of oil and gas and geothermal.

#### **Article 12**

(1) In order to control the use of area of forest any permit of borrow-to-use area of forest shall be granted on a gradual basis.

(2) The grant of permit of borrow-to-use area of forest for the second stage and so on shall be based on the result of evaluation of the previous utilization of the area of forest.

#### **Article 13**

(1) Area of production forest that has been equipped with a permit for the utilization of wood as produces from the Forest of Ecosystem Restoration within the natural forest shall not be subject to a grant of permit of borrow-to-use area of forest for mining activities.

(2) The area of production forest:

- a. that is designated as a buffer zone directly adjacent to the area of protected forest and/or area of conservation forest;
- b. whose area has been designated as protected zone, area of Intensive Silviculture System, or area of permit for utilization equipped with certificate of undertakings/ utilization of forest for the sake of preservation (PHPL) with a status of "good" category;

shall not be granted a permit of borrow-to-use area of forest for mining activities.

(3) The provisions as cited in paragraphs (1) and (2) shall be exempted for:

- a. vital activities of national development such as for geothermal, oil and gas, and electricity;
- b. any request that has already been equipped with and approved by a principle permit from Minister and the extension of the existing permit for the utilization of area of forest as long as the business permit remains effective.

**CHAPTER II  
PROCEDURE AND REQUIREMENTS  
ON APPLICATION FOR THE UTILIZATION OF AREA OF FOREST**

**Part One  
Procedure for the Application**

**Article 14**

- (1) The application for the permit for the utilization of area of forest as cited in Article 9 paragraph (1) shall be submitted by:
  - a. Minister or ministerial-level Official;
  - b. Provincial Governor;
  - c. Regent / Mayor;
  - d. Management of Business Entity; or
  - e. Head of Foundation.
- (2) The application for the permit for the utilization of area of forest as cited in paragraph (1) shall be submitted to Minister.

**Article 15**

- (1) The application for the permit for the utilization of area of forest as cited in Article 14 paragraph (1), shall include the following requirements:
  - a. administrative; and
  - b. technical documents.
- (2) Administrative and technical documents as required and cited in paragraph (1) shall be the original documents that are legalized by the agency or notary office as the issuer.

**Article 16**

- (1) The administrative requirement as cited in Article 15 paragraph (1) letter a shall include:
  - a. Letter of Application;
  - b. Permit of Mining Undertakings for Exploration (IUP Exploration)/ Permit of

Mining Undertakings for Operation and Production (IUP Production Operation) or other permit/agreement that has been issued by official based on the authority, except for the activities that are not required to have any permit/agreement;

c. Recommendation from:

1. Provincial Governor for borrow-to-use area of forest for the permit of non-forestry as issued by Regent/Mayor and Government of Indonesia; or
2. Regent / Mayor for borrow-to-use area of forest for the permit of non-forestry as issued by Provincial Governor; or
3. Regent/Mayor for borrow-to-use area of forest that requires no permit based on the sector;

d. Statement in form of notary document citing about:

1. The ability to meet all obligations and the ability to bear all the costs associated with the application;
2. All the documents attached to the letter of application that are still valid; and
3. No activities to be carried out in the field if there is no approval from Minister;

e. if the application is submitted by a legal entity or foundation, in addition to the requirements as cited in letters a through d, there shall be other requirements as follows:

1. deed of establishment as well as the amendments thereto;
2. the profile of business entity/foundation;
3. Taxpayer Identification Number; and
4. The latest financial statement as audited by public accountant.

f. the stipulation as cited in letter e shall be exempted for State-owned Enterprise (BUMN), Local Government-owned Enterprise (BUMD) and the application for oil and gas and geothermal.

(2) Recommendation from Provincial Governor or Regent / Mayor as cited in paragraph (1) letter c shall include the approval for the use of forest area as per application based on the technical consideration from Division Head of Provincial Office or Division Head of Regency / Municipality who is in charge of Forestry, and Head of the Local Unit for Stabilization of Forest Area.

(3) The technical consideration as cited in paragraph (2) shall include:

- a. the location, area and boundaries of the requested area based on the function of area of forest as depicted in the map;
- b. the condition of area of forest as per request shall include information such as,

among others,:

1. the function of forest;
  2. the cover of vegetation;
  3. the permit of utilization or use and/or management;
  4. the quota of permit for borrow-to-use area of forest within the area of permit for the utilization of forest;
  5. the area of permit for utilization of forest that has been designated as a protected area;
  6. the area of Intensive Silviculture System;
  7. the area of production forest designated as a buffer zone; and
  8. the social and economic conditions of the local communities.
- (4) The recommendation as cited in paragraph (2) shall remain effective during the process of obtaining the permit of borrow-to-use area of forest.
- (5) If the application is submitted by Government Agency, the statement as cited in paragraph (1) letter d shall be simply a statement signed by the applicant or an official as assigned by the applicant.

#### **Article 17**

- (1) Technical requirement as cited in Article 15 paragraph (1) letter b shall include:
- a. the work plan on the use of forest area attached with a map of location in scale of 1: 50,000 or the largest scale of the location including the information about the forest area as per request;
  - b. recent satellite image of the latest coverage of the past 2 (two) years with minimum resolution of 15 (fifteen) meters and the result of satellite image is interpreted by a competent party that has competence in the interpretation of satellite images using a digital format and hard copy including statement saying that the satellite image and the result of interpretation have been correct;
  - c. environmental permit and document of AMDAL (analysis about environment) or UKL-UPL that has been endorsed by the competent authority in charge of any activity that requires the preparation of AMDAL or UKL-UPL as in compliance with the prevailing laws and regulations;
  - d. technical consideration from Director General of Mineral and Coal under the Ministry of Energy and Mineral Resources for the sake of permit of mining activities that will be issued by Provincial Governor or Regent/ Mayor based on his/ her authority, and it contains information stating that the requested area inside or outside of WUPK is of WPN with mining pattern;
  - e. for the permit of the activities of mining of mineral commodities in form of ores in an area of maximal 10 (ten) hectares, the technical consideration as

cited in letter d shall be from Division Head of Regency/ Municipality of mining sector;

f. Letter of statement with stamp from the management of Business Entity that has technical personnel in forestry, of which is used for the sake of application for mining activities of production and operations;

g. technical consideration from Director of Perum Perhutani, in case that the application is for the activities within the working area of Perhutani.

(2) The complete submission of technical requirement of satellite image as cited in paragraph (1) letter b shall be exempted for applicant for a permit of borrow-to-use area of forest for the activities, among other, of:

- a. places of religious worship, cemetery and spiritual tourism;
- b. installation of generation, transmission and distribution of electricity as well as the application of technology of new and renewable energy sources;
- c. telecommunications networks, radio stations, and television relay station;
- d. facilities and infrastructures of water resources, construction of installation network of water, drains or passageways of clean water and / or waste water;
- e. public facilities;
- f. defense and security such as, among others, the facilities and infrastructures for combat training, radar stations and lookout towers;
- g. supporting infrastructures for public safety such as those for the safety of sea traffic, air traffic, land traffic and the means of meteorology, climatology and geophysics;
- h. temporary shelter for victims of natural disaster;
- i. survey or exploration; and
- j. mining in an area of less than 5 (five) hectares;

### **Article 18**

The complete administrative and technical requirements for the sake of the application for permit for borrow-to-use area of forest as cited in Article 15 shall be in form of a letter of application and work plan on the use of forest area for the activities such as:

- a. the development of places of religious worship, cemetery and spiritual tourism;
- b. the defense and security such as for combat training, radar stations and lookout towers;
- c. supporting infrastructures for public safety such as those for the safety of sea traffic, air traffic, land traffic and the means of meteorology, climatology and geophysics;
- d. temporary shelter for victims of natural disaster;

### **Part Two Completion of Application**

## **Article 19**

- (1) Minister in a maximum period of 15 (fifteen) working days after receiving the application as cited in Article 15 paragraph (1), shall instruct Director-General to assess such an application and make a review as cited in Articles 16 17.
- (2) In case that based on the result of assessment the application has yet to be appropriate, Director in charge of the issuance of permits for the use of area of forest on behalf of Director General shall publish a notice and return the application in a maximum period of 15 (fifteen) days.
- (3) In case that based on the result of assessment the application has been appropriate, Director General shall give a review in a maximum period of 45 (forty five) working days.
- (4) In giving a review as cited in paragraph (3) Director General shall coordinate with:
  - a. Director General of Forestry Undertakings in case that the permit of borrow-to-use area of forest is for an area within Production Forest; or
  - b. Director General of Forest Protection and Nature Conservation in case that the permit of borrow-to-use area of forest is for an area within Protected Forest;
- (5) Based on the review as cited in paragraph (3):
  - a. Director General on behalf of Minister in a maximum period of 5 (five) working days shall issue a letter of rejection in case that the application cannot be further taken into account;
  - b. Minister in a maximum period of 15 (fifteen) working days shall issue a principle approval for the use of area of forest as of the date of receiving the result of review from Director General in case that the application can be taken into account.
- (6) In case that there is a request for the revision of letter and/or maps of the principle permit for the utilization of area of forest, Director General on behalf of Minister shall issue a letter of rejection or approval.

### **Part Three Obligations of Holder of Principle Permit for the Utilization of Area of Forest**

## **Article 20**

- (1) The principle permit for the utilization of area of forest as cited in Article 19 paragraph (5) letter b shall include the obligations:
  - a. to make forest boundaries as approved and supervised by "Balai

Pemantapan Kawasan Hutan" (agency for the improvement of areas of forest) ;

b. to make a statement in notary document depicting the abilities as follows:

1. to carry out reclamation and re-vegetation on area of forest that is no longer used without waiting for the completion of term of permit for the utilization of area of forest;

2. to do forest protection in compliance with the laws and regulations;

3. to give an easy access for the officials (apparatus) of both the central and local offices of forestry when conducting monitoring and evaluation in the field;

4. to meet the financial obligations in compliance with the laws and regulations, including:

a) to pay the compensation for value of erecting vegetation (trees or plants), the Forest Resource Provision (PSDH), and the Reforestation Fund (DR);

b) to pay for the State's non-tax revenue for the use of Forest Area in case that the compensation is in form of State's non-tax revenue for the use of forest area and to plant vegetation for the sake of rehabilitation of the watersheds;

c) to pay compensation to the government for the value of erecting vegetation (trees or plants) in case that the requested area is within the reforestation area as in compliance with the prevailing laws and regulations; and

d) to pay other financial obligations for the issuance of the permit of borrow-to-use area of forest as in compliance with the prevailing laws and regulations;

5. to plant vegetation in order to rehabilitate the watershed in case that the compensation is in form of the payment for State's non-tax revenue for the use of Forest Area;

6. to empower the local communities around the location based on the permit of borrow-to-use area of forest;

c. to submit the baseline of the use of forest area for the sake of principle permit including the obligation to pay compensation for State's non-tax revenue for the use of forest area and to plant vegetation for the sake of rehabilitation of watersheds;

- d. to submit a plan for reclamation and re-vegetation in the area of forest based on the permit of borrow-to-use area of forest;
  - e. to provide a map of location for the sake of planning to plant vegetation for the rehabilitation of watershed in case the compensation is in form of the payment for State's non-tax revenue for the use of forest area and to plant vegetation in order to rehabilitate watersheds;
- (2) In case that the application is submitted by government agency, the statement as cited in paragraph (1) letter b shall simply be in form of a Statement signed by the applicant or by an official as assigned by the applicant.
- (3) In case that the requested area is within the work area of the permit for the utilization/management of area of forest, in addition to the obligation to make a Statement as cited in paragraph (1) letter b, the holder of the principle permit shall be obliged to make a Statement about the ability to reimburse the costs of investment in the management/utilization of area of forest to the operator/holder of the permit for the utilization of area of forest as in compliance with the laws and regulations and it has to be in form of notary document.
- (4) In regard of the principle permit with the obligation to provide compensation of land area as cited in paragraph (1) letters a, b, d, and paragraph (3), the holder of the principle permit shall:
- a. provide compensation in form of land area that is not problematic in the factual condition (de facto) and in legal condition (de jure), which will be designated for an area of forest at ratio as cited in Article 6 paragraph (2) letter a;
  - b. carry out the measurement of land area of compensation and it has to be mapped based on a mapping method;
  - c. make a statement in notary document citing about being responsible for any technical and legal mistakes concerning the determination of boundaries in the field;
  - d. handover the land area of compensation and sign an Official Report of the handover of land area of compensation to Ministry of Forestry.

#### **Article 21**

The guidelines for the calculation of reimbursement of costs of investment as cited in Article 20 paragraph (3) shall be regulated in a separate law.

#### **Article 22**

- (1) In case that the area of forest, of which the principle permit for the use of area of forest or permit of borrow-to-use area of forest has already been issued, will be

used for the activity of strategic goal such as those of geothermal, oil, gas, and electricity, the total area of forest of the principle permit for the utilization of forest or of the permit of borrow-to-use area of forest shall be subject to revision/ reduction of size.

- (2) The notice concerning the revision/ reduction of the size of area as cited in paragraph (1) shall be as follows:
  - a. the principle permit for the utilization of area of forest shall be issued by Director General on behalf of Minister;
  - b. the permit of borrow-to-use area of forest shall be issued by Minister.

#### **Part Four Dispensation**

##### **Article 23**

- (1) The holder of principle permit for the utilization of area of forest with compensation of land area shall be allowed to apply for dispensation in carrying out the activities to Minister.
- (2) Dispensation as cited in paragraph (1) shall be granted for:
  - a. the activities carried out by State-owned Enterprise (BUMN) or local government-owned enterprise (BUMD) ;
  - b. the activities that are financed by State's Budget of Revenues and Expenditures (APBN) or local government's budget (APBD);
  - c. the activities of BUMN, of which the financing is shared with the government;  
or
  - d. the activities that have strategic goals such as those of geothermal, oil and gas, or electricity.
- (3) Dispensation as cited in paragraph (1) shall be granted after the fulfillment of the obligations as cited in Article 20 except for the land area of compensation that needs a Statement citing about the ability to provide a land area of compensation, of which is stated in a notary document.
- (4) Dispensation shall be granted for a maximum period of time based on the principle permit for the utilization of area of forest.
- (5) In addition to the activities as cited in paragraph (2) the dispensation can be given as follows:
  - a. for the activities of the management of natural disasters;

- b. for the activities of defense and security;
  - c. to the applicant for the extension of permit of borrow-to-use area of forest, of which is still operational in the field but the extension of permit is still in process and the extended permit has not been published up to the deadline of permit extension.
- (6) Dispensation as cited in paragraph (5) letters a and b can be given without waiting for the fulfillment of obligations as cited in Article 20.

#### **Article 24**

- (1) Minister in a maximum period of 15 (fifteen) working days after receiving the application as cited in Article 23 paragraph (1) shall instruct Director General to conduct an assessment.
- (2) Based on the results of assessment as cited in paragraph (1), Director General on behalf of Minister within a period of 30 (thirty) days shall:
- a. issue a letter of dispensation for the utilization of area of forest as well as the map as attachment as long as the applicant has fulfilled the requirements; or
  - b. issue a letter of refusal in case the application has yet to fulfill the requirements.

### **Part Five Permit of Borrow-to-Use Area of Forest**

#### **Article 25**

- (1) Based on the fulfillment of the obligations under the principle permit for the utilization of area of forest as cited in Article 20, the holder of the principle permit for the utilization of area of forest shall submit an application for the permit of borrow-to-use area of forest to Minister.
- (2) Minister in a maximum period of 15 (fifteen) working days after receiving the application as cited in paragraph (1) shall instruct Director-General to assess the fulfillment of obligations.
- (3) In case the application has yet to be fulfilled with all the requirements of obligations, Director General in a maximum period of 15 (fifteen) working days shall issue a notice concerning the failure to fulfill the requirements of obligations.
- (4) In case that the application has met all the requirements of obligations, Director General within a period of 30 (thirty) days shall submit a recommendation for the issuance of permit of borrow-to-use area of forest as well as the map as attachment

to Secretary General.

- (5) Secretary General in a maximum period of 15 (fifteen) working days as of receiving the recommendation for the issuance of permit of borrow-to-use area of forest as well as the map as attachment as cited in paragraph (4) shall conduct a legal review and submit a concept of decision for the issuance of permit of borrow-to-use area of forest as well as the map as attachment to Minister.
- (6) Minister in a maximum period of 15 (fifteen) working days after receiving the concept as cited in paragraph (4) shall make a decision concerning the issuance of the permit of borrow-to-use area of forest.

#### **Article 26**

- (1) In case that within the location of the permit of borrow-to-use area of forest as cited in Article 25 paragraph (6) there is diversification of the utilization of forest, the holder of the permit of borrow-to-use area of forest shall be allowed to apply for diversification of utilization of the area of forest to Minister.
- (2) The application as cited in paragraph (1) shall be equipped with a business permit, environmental permit, and document of AMDAL for new commodities, and also a revised work plan that has been adjusted to the nature of new commodities.
- (3) Minister in a maximum period of 15 (fifteen) working days after receiving the application as cited in paragraph (1) shall instruct Director General to conduct an assessment.
- (4) Director General in a maximum period of ten (10) working days after receiving the written instruction as cited in paragraph (1) shall do as follows:
  - a. to submit a recommendation for revision of permit of borrow-to-use area of forest as well as the map as attachment to Secretary-General as long as the application has fulfilled the requirements; or
  - b. on behalf of Minister, to issue a letter (notice) of refusal in case the application has yet to fulfill the requirements.
- (5) Secretary General within a maximum period of 15 (fifteen) working days after receiving the recommendation as cited in paragraph (4) letter a shall do a legal review and submit a concept on Ministerial Decision concerning the revision of the utilization of the area of forest as well as the map as attachment to Minister.
- (6) Minister in a maximum period of 15 (fifteen) working days after receiving the recommendation as cited in paragraph (5) shall make a decision concerning the revision of the permit of borrow-to-use area of permit.

#### **Article 27**

- (1) In case that within the location of the permit of borrow-to-use area of forest as cited in Article 25 paragraph (6) there is a new application for the utilization of forest in regard of diversification of the previous utilization of the forest, the applicant shall be obliged to cooperate with the holder of the existing permit of borrow-to-use area of forest.
- (2) The application as cited in paragraph (1) shall be submitted by the holder of the permit of borrow-to-use area of forest by fulfilling the requirements as follows:
  - a. the agreement on cooperation shall be stated in a notary document;
  - b. the business permit, the environmental permit, the document of AMDAL for new commodities, and the revised work plan that has been adjusted to the nature of new commodities.
- (3) Minister in a maximum period of 15 (fifteen) working days after receiving the application as cited in paragraph (1) shall instruct Director General to conduct an assessment.
- (4) Director General in a maximum period of ten (10) working days after receiving the written instruction as cited in paragraph (1) shall do as follows:
  - a. to submit the recommendation on the decision to revise the permit of borrow-to-use area of forest as well as the map as attachment to Secretary General in case the application has fulfilled the requirements; or
  - b. on behalf of the Minister, to issue a notice of refusal in case the application has yet to fulfill the requirements.
- (5) Secretary General in a maximum period of 15 (fifteen) working days after receiving the recommendation as cited in paragraph (4) letter a shall do a legal review and submit the concept of Ministerial decision to revise the permit of borrow-to-use area of forest as well as the map as attachment to Minister.
- (6) Minister in a maximum period of 15 (fifteen) working days after receiving the recommendation as cited in paragraph (5) shall make a decision to revise the permit of borrow-to-use area of forest.

## **Article 28**

- (1) The holder of the permit of borrow-to-use area of forest shall be allowed to request for the revision of the baseline of the utilization of forest to Minister cq Director General.
- (2) Based on the request or application as cited in paragraph (1) Director General on behalf of Minister shall issue a letter of approval or rejection.

## **Part Six**

## **Permit of Borrow-to-use Area of Forest for survey or exploration**

### **Article 29**

- (1) Minister in a maximum period of 15 (fifteen) working days after receiving the application for the permit of borrow-to-use area of forest for survey or exploration as cited in Article 15 paragraph (1) shall instruct Director General to assess the administrative and technical requirements as cited in Article 16 and Article 17.
- (2) In case that the result of evaluation of administrative and technical requirements has yet to be satisfactory, Director in charge of forest utilization on behalf of Director General in a maximum period of 15 (fifteen) days shall issue a notice and return the document of application.
- (3) In case that the result of evaluation of administrative and technical requirements has been satisfactory, Director General in a maximum period of 45 (forty five) working days shall conduct a review.
- (4) In conducting a review as cited in paragraph (3) Director General shall coordinate with:
  - a. Director General of Forestry Undertakings in regard of the application for the permit of borrow-to-use area of forest in a production forest; or
  - b. Director General of Forest Protection and Nature Conservation in regard of the application for the permit of borrow-to-use area of forest in protected forest.
- (5) In regard of the review as cited in paragraph (3), of which cannot be taken into account, Director-General on behalf of Minister in a maximum period of 5 (five) working days shall issue a notice of rejection.
- (6) In regard of the review as cited in paragraph (3), of which can be taken into account, Director-General in a maximum period of 5 (five) working days shall submit a recommendation on the issuance of permit of borrow-to-use area of forest for survey or exploration as well as the map as attachment to Secretary General.
- (7) Secretary General in a maximum period of 15 (fifteen) working days after receiving the recommendation as cited in paragraph (6) shall conduct a legal review and submit a concept of decision for the permit of borrow-to-use area of forest for survey or exploration as well as the map as attachment to Minister.
- (8) Minister in a maximum period of 15 (fifteen) working days from receiving the concept of decision as cited in paragraph (7) shall make a decision on the issuance of permit of borrow-to-use area of forest for survey or exploration

### **Part Seven**

#### **Obligations of Holder of Permit of Borrow-to-use Area of Forest**

### Article 30

(1) The holder of the permit of borrow-to-use area of forest as cited in Article 25 paragraph (6), shall do as follows:

- a. to conduct reforestation on the land area of compensation—this is for the holder of the permit of borrow-to-use area of forest with obligation to provide land area of compensation;
- b. to conduct the reclamation and re-vegetation of the area of forest that is no longer used without waiting for the completion of term of permit of borrow-to-use area of forest;
- c. to fulfill the financial obligations as in compliance with laws and regulations, including:
  1. The payment of State's Non-tax Revenue by the holder of permit of borrow to-use area of forest with the obligation to provide land area of compensation and the payment for the State's Non-tax Revenue for the utilization of forest and the obligation to plant vegetation for the sake of reforestation of watersheds;
  2. the payments for the value of erecting vegetation (trees or plants), Forest Resource Provision (PSDH), and Reforestation Fund (DR);
  3. the payment of compensation to the government for the value of erecting vegetation (trees or plants) in case that the area as requested is the area of reforestation;
  4. the payment for the reimbursement of investment in the management/ utilization of forest in case that the location of the permit of borrow-to-use area of forest is within the area of permit for the utilization/ management of forest;
- d. to plant vegetation for the sake of rehabilitation of watersheds as cited in Article 6 paragraph (2) letter b, and the planting should have been conducted before the expiration of term of permit of borrow-to-use area of forest;
- e. to empower the local communities around the location of the permit of borrow-to-use area of forest;
- f. to appropriately maintain the boundaries of the permit of borrow-to-use area of forest;
- g. to conduct a forest protection as in compliance with the laws and regulations;
- h. to secure the conservation forest and protected forest in case the location of the permit of borrow-to-use area of forest is bordered with conservation

forest and protected forest, by coordinating with:

1. Head of Center/ Head of Technical Implementation Unit (UPT) in charge of the affairs of conservation of forest, for the sake of the conservation of forest;
  2. Head of Division of Regency/Municipality in charge of forestry affairs or President Director of Perum Perhutani within the working area of Perum Perhutani, for protected forest; or
  3. Head of Forest Management Unit (FMU) in case that an FMU has been created in the region;
- i. to give easy access to forestry officials both from the central and local forestry offices when conducting the monitoring and evaluation in the field;
- j. to coordinate the activities with the local forestry authorities and/ or with the holders of permits for the utilization or management of forest;
- k. to possess a Policy Advisor in the Forestry Sector for production and operation of mining;
- l. to submit a work plan for the sake of fulfillment of the obligations as cited in letters a through h, no later than 100 (one hundred) working days after the determination on the issuance of the permit of borrow-to-use area of forest; and
- m. to prepare and submit regular reports every six (6) months to Minister regarding the utilization of the borrow-to-use area of forest, with carbon copies to:
1. Director General of Forestry Planning;
  2. Director General of Forestry Undertakings;
  3. Director General of Forest Protection and Nature Conservation;
  4. Director General of Watershed Management and Social Forestry;
  5. Division Heads of the Province and Regency/ Municipality in charge of forestry;
  6. President Director of Perum Perhutani, if within the working area;
  7. Head of Forest Area Consolidation; and
  8. Head of Watershed Management;

(2) The report as cited in paragraph (1) letter m shall include:

- a. the planning and realization of the utilization of forest;
- b. the planning and realization of reclamation and revegetation;
- c. the planning and realization of reforestation of land area of compensation as in compliance with laws and regulations;
- d. the fulfillment of obligations to pay State's non-tax revenue for the utilization

- of area of forest;
- e. the planning and realization of planting in the watersheds as in compliance with laws and regulations; and
- f. the fulfillment of other obligations based on the permit of borrow-to-use area of forest.

(3) Further provisions on the criteria and the task of Policy Advisor in Forestry Sector as cited in paragraph (1) letter k shall be regulated under a Ministerial Decree.

### **Article 31**

(1) The holder of permit of borrow-to-use area of forest for the activities of survey or exploration as cited in Article 29 paragraph (8), shall:

- a. carry out the rehabilitation of the area of forest that is no longer used without waiting for the completion of term of the permit of borrow-to-use area of forest;
- b. pay the compensation for the value of erecting vegetation (trees or plants), Forest Resource Provision (PSDH), Reforestation Fund (DR) as in compliance with laws and regulations;
- c. conduct the forest protection as in compliance with laws and regulations;
- d. give easy access to officials from both central and local forestry offices when conducting the monitoring and evaluation in the field;
- e. empower the local communities around the location of the permit of borrow-to-use area of forest; and
- f. to prepare and submit regular reports every six (6) months to Minister regarding the utilization of the borrow-to-use area of forest, with carbon copies to:
  - 1. Director General of Forestry Planning;
  - 2. Director General of Forestry Undertakings;
  - 3. Director General of Forest Protection and Nature Conservation;
  - 4. Director General of Watershed Management and Social Forestry;
  - 5. Division Heads of the Province and Regency/ Municipality in charge of forestry;
  - 6. President Director of Perum Perhutani, if within the working area;
  - 7. Head of Forest Area Consolidation; and
  - 8. Head of Watershed Management;

(2) The holder of the permit of borrow-to-use area of forest for the activities of survey or exploration as cited in Article 29 paragraph (8) shall be prohibited from developing buildings and roads that are permanent, except for exploration of oil and gas and geothermal.

### **Article 32**

- (1) The holder of the permit of borrow-to-use area of forest shall be prohibited from:
  - a. handing over the permit of borrow-to-use area of forest to another party or changing the name without the consent of Minister;
  - b. making as collateral the location of the permit of borrow-to-use area of forest to another party.
- (2) The handover of the permit of borrow-to-use area of forest or the change of name as cited in paragraph (1) shall be in a way when submitting a request to Minister, of which is put together with related documents of permit.
- (3) The documents as cited in paragraph (2) shall include the deed of establishment as well as the amendment if any and the permit of the original version or the copy that has been legalized by the agency of issuance or by the Notary and other supporting documents.

### **Article 33**

- (1) Minister in a maximum period of 15 (fifteen) working days after receiving the application as cited in Article 32 paragraph (2) shall instruct Director General to conduct an assessment.
- (2) Director General in a maximum period of 5 (five) working days after receiving the written instruction as cited in paragraph (1) shall do as follows:
  - a. on behalf of Minister, to issue a notice of refusal in case the application has yet to fulfill the requirements; or
  - b. to submit a proposal for the handover to another party or the change of name to Secretary General, in case the application has fulfilled the requirements.
- (3) Secretary General in a maximum period of 15 (fifteen) working days after receiving the proposal as cited in paragraph (2) letter b shall conduct a legal review and submit the concept for the approval of changing the name to Minister.
- (4) Minister in a maximum period of 15 (fifteen) working days after receiving the concept as cited in paragraph (3) shall issue a letter of approval for the handover of permit or the change of name.

## **Part Eight Wood Utilization**

### **Article 34**

- (1) The permit of borrow-to-use area of forest as cited in Article 25 paragraph (6) and Article 29 paragraph (8) and the dispensation as cited in Article 24 paragraph (2) shall be applicable for the permit of wood utilization and the permit of the entry and use of equipment.
- (2) In order to carry out land clearing activities of the permit of borrow-to-use area of forest, the holder of the permit of borrow-to-use area of forest shall pay PSDH, DR and compensation for the value of erecting vegetation (PNT).
- (3) The method of payment of PSDH, DR and PNT as cited in paragraph (2) shall be in compliance with the prevailing laws and regulations.

**Part Nine  
Land Compensation**

**Article 35**

- (1) The would-be area of land of compensation as cited in Article 20 paragraph (4) letter a, shall meet the following requirements:
  - a. it can be managed and used as part of one unit of forest management;
  - b. it is located in the watershed, island, and/or in the same Province;
  - c. it can be reforested by conventional means;
  - d. it is not in dispute and is free from any kind of liabilities and mortgages; and
  - e. it is recommended by Governor or Regent/ Mayor.
- (2) The would-be area of land of compensation to be made available by the applicant as cited in paragraph (1) shall be inspected in the field for the sake of assessment of technical and legal feasibilities by a team that is coordinated by Division Head of Province in charge of forestry.
- (3) The team as cited in paragraph (2) shall have the members who are representing Provincial Division of Forestry, Division of Forestry of Regency/ Municipality, the Central Management of Watershed, Agency of Stabilization of Forest Area, Regency/ Municipality Agrarian Office, Units of Perum Perhutani in their respective work areas, and Secretariat of Province or Regency/ Municipality.
- (4) The result of assessment of technical and legal feasibilities as cited in paragraph (2) shall be recorded in an Official Report and attached with a report and a map depicting the coordinates of location, the size of area and the location of land area of compensation.
- (5) Official Report as cited in paragraph (4) shall be submitted by Division Head of Forestry of Province to Director General.
- (6) Director General on behalf of Minister in a maximum period of 15 (fifteen) working days from receiving the Official Report as cited in paragraph (4), shall issue as follows:

- a. notice (letter) of refusal in case that the would-be land area of compensation does not meet the requirements, or
- b. letter of approval for the land area of compensation, in case that the would-be land area of compensation meets the requirements.

### **Article 36**

- (1) In case that the would-be land area of compensation is approved by Director General on behalf of Minister as cited in Article 35 paragraph (6) letter b, the holder of the principle permit for the utilization of area of forest shall be obliged to do as follows:
  - a. to conclude the release of land right and to give the payment for the acquisition of land area that would become the land area of compensation by taking into account as follows:
    - 1) for the land area that is registered in the National Land Agency (BPN)/ Regional Office of BPN/ Land Office of Regency/ Municipality there has to be a legitimate mark (write-off) in the book of land and land certificate;
    - 2) for the land area that is not registered in the National Land Agency (BPN)/ Regional Office of BPN/ Land Office of Regency/ Municipality there has to be a legitimate mark (write-off) in the document of evidence of traditional rights of land, book of land and map of village;
  - b. There has to be a legitimate mark (write-off) in the Tax Office of the taxpayer as the former owner of land area, of which is approved to be used as land area of compensation;
  - c. to submit the result of measurement of the would-be (prospective) land area of compensation in order to obtain definite size of land area and boundaries.
- (2) In case that the holder of principle permit for the utilization of area of forest has fulfilled the obligations as cited in paragraph (1), Director General and the holder of principle permit for the utilization of area of forest in a maximal period of 30 (thirty) working days shall sign an Official Report of handover of land area of compensation.
- (3) Based on the Official Report as cited in paragraph (2), Director-General in a period of 30 (thirty) working days shall submit a recommendation concerning a decision to designate the land area of compensation into an area of forest with the map as attachment to Secretary General.
- (4) Secretary General in a maximum period of 15 (fifteen) working days from receiving a recommendation concerning a decision to designate the land area of compensation into a forest area as cited in paragraph (3) shall conduct a legal review and submit a concept on making decision to designate the land area of compensation into a forest

area with the map as attachment to Minister.

- (5) Minister in a maximum period of 15 (fifteen) working days after receiving the concept as cited in paragraph (4), shall make decision to designate the land area of compensation into a forest area.

### **Article 37**

- (1) Based on Ministerial Decision (Decree) on the designation of the land area of compensation into a forest area as cited in Article 36 paragraph (5), the holder of the permit of borrow-to-use area of forest in a period of 180 (one hundred eighty) days shall identify the boundaries of the would-be area of forest deriving from the land area of compensation.
- (2) The activities to identify the boundaries of area of forest as cited in paragraph (1) shall be carried out as in compliance with the prevailing laws and regulations.
- (3) Director General in a maximum period of 15 (fifteen) days from receiving the Official Report on the activities to identify the boundaries of area of forest as cited in paragraph (2) shall conduct a review and submit a recommendation on making decision to designate the land area of compensation into forest area with the map as attachment to Secretary General.
- (4) Secretary General in a period of seven (7) working days after receiving the recommendation as cited in paragraph (3) shall conduct a legal review and submit a concept on making decision to designate the land area of compensation into a forest area with the map as attachment to Minister
- (5) Minister in a maximum period of 15 (fifteen) working days from receiving the concept and the map as cited in paragraph (4) shall make a decision to designate the land area of compensation into a forest area.

### **Article 38**

- (1) Based on the decision to designate the land area of compensation into a forest area as cited in Article 36 paragraph (5), Director General on behalf of Minister shall instruct the holder of the permit of borrow-to-use area of forest to carry out the activities of reforestation in the area of forest deriving from the land area of compensation.
- (2) The activities of reforestation as cited in paragraph (1) shall be carried out by the holder of permit of borrow-to-use area of forest in cooperation with the operator of forestry in region.

### **Article 39**

- (1) The implementation of reforestation in the land area of compensation that is designated to become an area of forest as cited in Article 38 shall refer to in a

Ministerial Decree on Reforestation.

- (2) The implementation of reforestation of the land area of compensation within the working area of Perum Perhutani shall be adjusted to the forest management plan of Perum Perhutani.
- (3) The handover of plants resulted from reforestation shall be depicted in an Official Report on Handover of Plants of Reforestation from the holder of permit of borrow-to-use area of forest to the operator of forestry in region.

CHAPTER III  
TERM AND EXTENSION OF PRINCIPLE PERMIT FOR UTILIZATION OF FOREST  
AND PERMIT OF BORROW-TO-USE AREA OF FOREST

**Part One**  
**Term**

**Article 40**

- (1) The principle permit for the utilization of area of forest shall be given for 2 (two) years and subject to extension.
- (2) The permit of borrow-to-use area of forest for the activities of survey and exploration shall be given for 2 (two) years and subject to extension
- (3) The permit of borrow-to-use area of forest shall be intended for:
  - a. the activity of mining of production and operations such as those of oil and gas, mineral, coal and geothermal, including the development of facilities and infrastructures;
  - b. the installation of power generation, transmission and distribution of electricity as well as the application of technologies of new and renewable energy sources, of which shall be requested by the applicant in addition to those of Government/ BUMN/ BUMD; and
  - c. the network of telecommunications, radio stations, and television relay stations, of which shall be requested by the applicants in addition to those of Government/ BUMN/ BUMD; and the length of time shall be given as in accordance with the term of permit concerned.
- (4) The permit of borrow-to-use area of forest shall be intended for:
  - a. the transport infrastructure that is not categorized as a public transport infrastructure and it is for the purpose of delivery of the result of production;
  - b. the facilities and infrastructure of water resources, construction of water installation network, and the drains of clean water and/or waste water;

- c. the industries other than primary industry of forest produces;
  - d. the agriculture in the context of food resilience; and
  - e. the agriculture in the context of energy resilience; it is given a maximum of 20 (twenty) years.
- (5) The permit of borrow-to-use area of forest in addition to the activities as cited in paragraphs (3) and (4) shall be granted based on the purpose and the length of time as per need.

## **Section Two**

### **Extension of Principle Permit for the Utilization of Forest and Permit of Borrow-to-use Area of Forest**

#### **Article 41**

- (1) The extension of the principle permit for the utilization of forest or the permit of borrow-to-use area of forest shall be granted based on the evaluation of fulfillment of the obligations as stated in the principle permit or the permit of borrow-to-use area of forest.
- (2) A request for the extension of the principle permit or the permit of borrow-to-use area of forest for survey and exploration as cited in paragraph (1) shall be submitted within a period of at least 3 (three) months prior the expiration of the principle permit or the permit of borrow-to-use area of forest.
- (3) A request for the extension of the permit of borrow-to-use area of forest in addition to the purpose of survey and exploration as cited in paragraph (1) shall be submitted in a maximum period of 6 (six) months before the expiration of the permit.
- (4) The request for the extension as cited in paragraphs (2) and (3) shall be addressed to Minister.
- (5) Minister in a maximum period of 15 (fifteen) working days after receiving the request as cited in paragraph (3), shall instruct Director General to conduct an assessment.
- (6) In case that the request (application) does not meet the requirements, Director General on behalf of Minister in a maximum period of 5 (five) working days shall issue a notice of refusal.
- (7) In case the request (application) meets the requirements:
  - a. Director General on behalf of Minister of Forestry in a period of 30 (thirty)

working days shall grant the extension of the principle permit for the utilization of forest or the permit of borrow-to-use area of forest for survey and exploration.

b. in addition to the purpose of extension of the principle permit for the utilization of forest or the permit of borrow-to-use area of forest for survey and exploration, Director General in a maximum period of 15 (fifteen) working days shall submit a recommendation concerning the issuance of Ministerial Decree for the extension of the permit of borrow-to-use area of forest including the map as attachment to Secretary General.

(8) Secretary General in a maximum period of 15 (fifteen) working days after receiving the recommendation as cited in paragraph (7) letter b shall conduct a legal review and submit a concept on Ministerial Decree for the extension of the permit of borrow-to-use area of forest including the map as attachment to Minister.

(9) Minister in a maximum period of 15 (fifteen) working days after receiving the concept as cited in paragraph (8), shall issue a Ministerial Decree on the Extension of Permit of Borrow-to-use Area of Forest.

(10) In case that the permit of borrow-to-use area of forest has expired but the permit holder has yet to fulfill all the obligations, Minister shall be allowed to issue an extended permit for a maximum period of 3 (three) years for the sake of the completion of the fulfillment of all the obligations.

#### **CHAPTER IV MONITORING AND EVALUATION**

##### **Article 42**

(1) Minister shall conduct the monitoring and evaluation as follows:

- a. of the holder of the principle permit for the utilization of area of forest;
- b. of the dispensation for the borrow-to-use area of forest; and
- c. of the holder of the permit of borrow-to-use area of forest.

(2) The monitoring as cited in paragraph (1) shall be conducted for the purpose of improvement so that the holder of the principle permit for the utilization of area of forest, those in charge of the dispensation, and the holder of the permit of borrow-to-use area of forest can fulfill their respective obligations.

(3) The evaluation as cited in paragraph (1) shall be conducted in order to assess:

- a. the fulfillment of obligations as stated in the principle permit for the utilization of area of forest or the permit of borrow-to-use area of forest; and

- b. the implementation of the utilization of area of forest; of which shall be used as a means of making a decision for the sake of extension, termination, relinquishment of location of the permit of borrow-to-use area of forest, or corrective measures including sanctions.

#### **Article 43**

- (1) The monitoring as cited in Article 42 paragraph (2) shall be implemented by the Division of Forestry in Regency/ Municipality in coordination with the Provincial Division of Forestry.
- (2) The monitoring as cited in paragraph (1) shall be implemented by a Team comprising members from Provincial Division of Forestry, Division of Forestry in Regency/ Municipality, Agency/ Division of Environment in Regency/ Municipality, Perum Perhutani in case the location within the work area of Perum Perhutani, and other related quarters.
- (3) Monitoring as cited in paragraph (1) shall take place at most 1 (one) time in 1 (one) year.
- (4) The expense of monitoring as cited in paragraph (1) shall be allocated to the deconcentration budget of Ministry of Forestry.
- (5) Division Head of Forestry in Regency/ Municipality shall submit the result of monitoring as cited in paragraph (1) to Division Head of Forestry in Province and subsequently Division Head of Forestry in Province shall report to Minister and Governor with carbon copy to Director General.

#### **Article 44**

- (1) Minister shall delegate to Governor the authority of implementation of the evaluation for the principle permit for the utilization of area of forest.
- (2) The evaluation as cited in paragraph (1) shall be conducted by a Team that is coordinated by Division Head of Forestry in Province and the membership comprises the Division of Forest Stabilization, Division of Watershed Management, Division of Monitoring of Utilization of Production Forest, Division of Forestry in Regency/ Municipality, Division of Environment in Regency/ Municipality, Perum Perhutani in case the location within the working area of Perhutani, and other related quarters.
- (3) The evaluation of the permit of borrow-to-use area of forest as cited in paragraph (1) shall be at most 2 (two) times in 5 (five) years.
- (4) Division Head of Forestry in Province shall submit the result of evaluation as cited in paragraph (1) to Minister with carbon copy to Director General of Forestry Planning (Plannology).

#### **Article 45**

Further provisions on the monitoring and evaluation as cited in Articles 42 through 44 shall be regulated by Director General.

#### **Article 46**

In case that based on the result of evaluation of the holder of the principle permit for the utilization of area of forest, those in charge of dispensation, and the holder of the permit of borrow-to-use area of forest as cited in Article 44 paragraph (4) any of them has yet to meet the obligations or there has been violation in form of criminal offenses in regard of forestry, the holder of permit shall be sanctioned in accordance with the prevailing laws and regulations.

### **CHAPTER V NULL AND VOID OF PRINCIPLE PERMIT OR PERMIT**

#### **Article 47**

The principle permit for the utilization of area of forest as cited in Article 19 paragraph (5) letter b or the permit of borrow-to-use area of forest as cited in Article 25 paragraph (6) and Article 29 paragraph (8) shall be delared null and void (abolished) in case that:

- a. the term of the principle permit for the utilization of area of forest or the permit of borrow-to-use area of forest has expired;
- b. it is revoked by Minister;
- c. the area is voluntarily relinquished by the holder of the principle permit for the utilization of area of forest or the holder of the permit of borrow-to-use area of forest before the expiration of term and there has been a written statement in view of that.
- d. The Permit of Mining Undertakings for Exploration (IUP Exploration)/ the Permit of Mining Undertakings of Production-Operation (IUP Production-Operation) or other related permit has been revoked by the official based on the authority.

#### **Article 48**

- (1) The null-and-void (abolished) permit of area of forest as cited in Article 47 shall not exempt the holder of the permit of borrow-to-use area of forest to completely fulfill the obligations as stated in the permit of borrow-to-use area of forest.
- (2) At the time of being declared null and void (abolished) of the permit of borrow-to-use area of forest as cited in Article 47:
  - a. the immovable assets or the plants that have been planted in the location of the permit of borrow-to-use area of forest shall belong to the State; and

- b. the moving goods shall belong to the permit holder.
- (3) The moving goods as cited in paragraph (2) letter b shall be removed from the area of forest by the holder of permit, which has been declared null and void (abolished), in a maximum period of 6 (six) months after the abolishment of the permit or since the time the reclamation activities have been considered successful.
- (4) If the moving goods as cited in paragraph (3) are not removed from the area of forest up to the deadline, the goods will be auctioned as in compliance with the prevailing laws and regulations.

#### **Article 49**

- (1) The abolishment (being null and void) of the permit as cited in Article 47 shall be regulated under a Ministerial Decision (Decree).
- (2) In case there is a recommendation about the relinquishment of part of the area of the permit of borrow-to-use area of forest, Director General on behalf of Minister shall issue a letter of approval or rejection based on the result of evaluation.
- (3) Based on the decision of the abolishment (being null and void) of the permit for the utilization of area of forest as cited in paragraph (1) there has to be a handover of the borrow-to-use area of forest, and it has to be conducted as follows:
  - a. within the working area of Perum Perhutani it shall be handed-over between President Director of Perum Perhutani and the holder of the permit of borrow-to-use area of forest;
  - b. within an area of forest that has been equipped with a permit for the utilization of area of forest, or within an area of forest that has yet to be equipped with any permit for utilization of forest, it shall be handed-over between Division Head of Forestry in Province and the holder of the permit of borrow-to-use area of forest.

### **CHAPTER VI SANCTION**

#### **Article 50**

- (1) Any holder of the permit of borrow-to-use area of forest who has yet to fulfill the obligations as cited in Articles 30, 31 and/or who violates Article 32 paragraph (1) shall be sanctioned and the permit of borrow-to-use area of forest shall be revoked by Minister.
- (2) The permit of borrow-to-use area of forest as cited in paragraph (1) shall be revoked after giving warnings three (3) times consecutively each in a period of 30 (thirty) working days by Director General.

**CHAPTER VII**  
**TRANSITIONAL PROVISIONS**

**Article 51**

(1) With the enactment of this Ministerial Decree:

- a. any application for the utilization of area of forest, of which the principle permit has not been issued, shall be further processed under this Ministerial Decree (Regulation);
- b. the principle permit for the utilization of area of forest that has been granted by Minister prior to the enactment of this Ministerial Decree and all the obligations have been fulfilled as stated in the principle permit, shall be allowed to be further processed to become a permit of borrow-to-use area of forest with obligations as cited under this Ministerial Decree;
- c. the principle permit for the utilization of area of forest that has been granted by Minister prior to the enactment of this Ministerial Decree however all the obligations have yet to be fulfilled as stated in the principle permit, shall still be allowed to be further processed to become a permit of borrow-to-use area of forest, nevertheless the obligations of the permit of borrow-to-use area of forest shall be adjusted to this Ministerial Decree
- d. the principle permit for the utilization of area of forest, of which the term of time is not limited, shall remain effective and shall comply with the stipulations of this Ministerial Decree.
- e. the agreement or permit of borrow-to-use area of forest that was granted prior to the enactment of government regulation (PP) number 24 Year 2010 on Utilization of Area of Forest, shall remain effective up to the expiration of the permit or agreement of area of forest;
- f. the agreement on borrow-to-use area of forest that is still valid shall be converted into a permit of borrow-to-use area of forest and the obligations shall be adjusted to the provisions under this Regulation (Ministerial Decree);
- g. the permit or agreement of borrow-to-use area of forest that includes nothing about the obligation to provide compensation or the obligation to reforest the land area of forest outside the borrow-to-use area of forest shall be subject to the obligations that are adjusted to this Regulation;
- h. the request (application) for the extension of the permit for the activities of survey and exploration, of which based on the result of evaluation has met the requirements, shall be further processed to become a permit of borrow-to-use area of forest with obligations adjusted to this Regulation;

- i. the request for the extension of the principle permit for the utilization of area of forest, of which based on the result of evaluation has met the requirements, shall be further processed with obligations adjusted to this Regulation;
  - j. the request for the extension of the permit of borrow-to-use area of forest, of which based on the result of evaluation has met the requirements, shall be further processed with obligations adjusted to this Regulation;
  - k. the cooperation for the sake of development excluding the forestry activities, of which can support the management of forest and has been approved by Minister, shall be further processed;
  - l. any environmental document that has been approved prior to the enactment of Government Regulation No. 27 Year 2012 on Environmental Permit, shall remain valid and be considered equal to an environmental permit;
  - m. the agreement on borrow-to-use area of forest that has been expired and all the obligations have been fulfilled, shall be subject to further process to obtain a permit of borrow-to-use area of forest as per request;
  - n. the agreement on borrow-to-use area of forest that has been expired and all the obligations have yet to be fulfilled, shall be subject to further process to obtain a permit of borrow-to-use area of forest as per request, as long as the obligations will have previously been fulfilled based on this Regulation;
- (2) The procedure and requirements for changing the agreement to become a permit of borrow-to-use area of forest as cited in paragraph (1) letter f shall be further regulated by Director General.

## **Article 52**

- (1) In regard of the activities of the utilization of area of forest in which the public roads, electricity, telecommunications facilities or production and operations of oil and gas, geothermal, water installation networks, public facilities and supporting facilities had already been developed prior to the enactment of Law Number 41 Year 1999 on Forestry, as having been amended by Law Number 19 Year 2004, the applicant shall be allowed to apply for a permit of borrow-to-use area of forest.
- (2) The application for the permit of borrow-to-use area of forest as cited in paragraph (1) shall be completely equipped with administrative and technical requirements as follows:
- a. letter of application;
  - b. map of location;
  - c. documents of permits or similarly related documents that are issued by the

competent authority or the copies that have been legalized by the competent authority; and

d. chronological activities with supporting documents that are legitimized.

(3) In case the application as cited in paragraph (1) has fulfilled the requirements as cited in paragraph (2), Director General on behalf of Minister shall issue a notice to the applicant to do as follows:

a. to identify the boundaries of the would-be (prospective) borrow-to-use area of forest.

b. to provide land area of compensation for the sake of application for the permit of borrow-to-use area of forest in Province whose forest area is less than 30 (thirty) percent of the total watershed, island, and / or Province.

(4) The availability and handover of the land area of compensation as cited in paragraph (3) letter b shall be in a maximum period of 2 (two) years since the issuance of the permit of borrow-to-use area of forest.

(5) Based on the result of identification of boundaries as cited in paragraph (3) letter a, Director General in a maximum period of 30 (thirty) working days shall submit the recommendation concerning the issuance of permit of borrow-to-use area of forest and the map as attachment to Secretary General.

(6) Secretary General in a maximum period of 15 (fifteen) working days from receiving recommendation concerning the issuance of permit of borrow-to-use area of forest as cited in paragraph (4) shall conduct a legal review and submit the concept of Decision on the issuance of permit of borrow-to-use area of forest and the map as attachment to Minister.

(7) Minister in a maximum period of 15 (fifteen) working days after receiving the concept as cited in paragraph (4), shall make a decision on the permit of borrow-to-use area of forest.

### **Article 53**

The procedure on the application for the permit of borrow-to-use area as the implementation of Government Regulation Number 61 on the amendment of Government Regulation Number 24 year 2010 on Utilization of Forest Area, shall comply with this Regulation (Ministerial Decree).

## **CHAPTER VIII FINAL PROVISIONS**

### **Article 54**

With the enactment of this Ministerial Decree (Regulation):

- a. Ministerial Decree of Forestry Number P.18/Menhut-II/2011 on Guidelines of Borrow-to-use Area of Forest;
- b. Ministerial Decree of Forestry Number P.38/Menhut-II/2012 on the Amendment of Ministerial Decree of Forestry Number P.18 / Menhut-II / 2011 on Guidelines of Borrow-to-use Area of Forest;
- c. Ministerial Decree of Forestry Number P.14 / Menhut-II / 2013 on Second Amendment of Ministerial Decree of Forestry Number P.18 / Menhut-II / 2011 on Guidelines of Borrow-to-use Area of Forest; shall be revoked and declared no longer effective.

**Article 55**

This Ministerial Decree (Regulation) shall be effective as of the enactment. That every one shall be made aware of and this Ministerial Decree shall be published in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta on March 10, 2014  
MINISTER OF FORESTRY  
OF THE REPUBLIC OF INDONESIA.

Signed

HASAN ZULKIFLI

Legislated in Jakarta  
on March 13, 2014  
MINISTER OF LAWS AND HUMAN RIGHTS  
OF THE REPUBLIC OF INDONESIA.

Signed

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA  
YEAR 2014 NUMBER 327  
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HEAD OF BUREAU OF LAWS AND ORGANIZATION

Signed

KRISNA RYA