Implementation of FLEGT Licensing Scheme in Deforestation Law Enforcement: Improvements and Handling in Indonesia

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**ABSTRACT**

This study aims to determine the implementation of the Forest Law Enforcement, Governance, and Trade (FLEGT) licensing scheme in Indonesia, focusing on its improvements and handling in relation to deforestation law enforcement. The research method used is qualitative, with an empirical juridical, statutory, and contextual approach. The results of this study indicate that aspects of environmental law enforcement in Indonesia have not yet come to light. The responsible authorities and powers exhibit a tendency to supersede established regulations of environmental law enforcement regarding procedural requirements, remedies, and sanctions. Consequently, reforestation schemes and forestry restoration permits, which are intended to counteract the effects of deforestation, have proven to be ineffective. This ineffectiveness can be attributed to the ongoing industrial forestry activities carried out by companies and entrepreneurs, which lack the requisite procedures for ensuring accountability in environmental restoration.

**1. Introduction**

Deforestation is one of the most significant world issues for all countries today. This happens because, apart from being one of the leading causes of global warming, deforestation can also have a direct impact on the lives of creatures on Earth without exception. Deforestation is a condition where forest area has decreased due to land conventions for infrastructure, settlements, agriculture, mining, and plantations. Deforestation is one of the four main aspects affecting world climate change in the last four to five decades. The use of forest areas...
for strategic development purposes other than forestry activities (briefly referred to as the use of forest areas) is basically legalized and has been regulated within Indonesia's positive legal framework. This kind of use is governed by regulations that establish more rigorous restrictions, including the stipulation that the primary purposes of the forest area must remain unaltered. Land is a resource that humans can use to carry out various life activities. The amount of land or space available on the surface of the Earth is very limited, while the human need for new land or space continues to increase. Ecologically, changes in land use will also affect the socio-economic conditions of the community. Indonesia is one of the largest tropical timber producers in the world—a country with a wealth of abundant natural resources. Based on the International Tropical Timber Organization (ITTO), Indonesia produced 8,1 hectares of logs in 2021. Most of these products are exported, making Indonesia significantly contribute to the global timber trade with China, Russia, and the United States.

Illegal logging still occurs frequently in several regions of Indonesia. From December 2022 to July 2023, several cases of massive illegal logging were recorded still occurring in several areas, including on December 29, 2022, the Center for Security and Law Enforcement of the Ministry of Environment and Forestry (GAKKUM KLHK, Balai Pengamanan dan Penegakan Hukum Kementerian Lingkungan Hidup dan Kehutanan) in the North Sumatra province arrested two perpetrators of illegal logging in the Gunung Leuser National Park area with evidence in the form of processed wood as many as 130 sticks of various sizes. On May 21, 2023, investigators from the Riau Province’s GAKKUM KLHK arrested four illegal loggers in the Lahai Resort Area, National

3 Republik Indonesia, Undang-Undang Republik Indonesia Nomor 19 Tahun 2004 Tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 1 Tahun 2004 Tentang Perubahan Atas Undang-Undang Nomor 41 Tahun 1999 Tentang Kehutanan Menjadi Undang-Undang, Jakarta, Sekretariat Negara, 2004
6 Benedikta Bianca Darongke, J Ronald Ma, and Donna O Setiabudhi, Dilema Penegakan Hukum Kegiatan Pertambangan Mineral Dan Batubara Tanpa Izin, [Dilemma of Law Enforcement of Mineral and Coal Mining Activities Without a Permit], Amanna Gappa, Vol.29 No.1, 2021;
Park Management Unit (SPTN, Seksi Pengelolaan Taman Nasional) II Belilas, Bukit Tigapuluh National Park Office on May 21, 2023. Investigators also confiscated evidence in the form of three motorbikes and 22 pieces of sawn wood in the form of planks. On July 28, 2023, the GAKKUM Investigators from the Ministry of Environment and Forestry (KLHK) of West Sumatra Province secured and named one suspect in the illegal logging case in the South Solok area. GAKKUM KLHK arrested one suspect, who was the owner of the wood, the transport truck, and the person who ordered the transportation of wood without documents, which clearly violated forestry administration provisions.

Several cases of illegal logging that still occur indicate that there is a big problem that causes illegal logging practices to still occur in Indonesia. From the aspect of legal awareness, implementation of environmental management regulations and policies, innovation in the administration of wood products, and forestry land management and its permit regulations, which are still influenced by the interests of elites and entrepreneurs, the practice of logging and forest destruction still occurs. This concern deserves evaluation and improvement to improve environmental management, especially forestry land management and better timber products.

However, one big problem is hidden behind Indonesia's extraordinary performance of illegal logging. According to data from Global Forest Watch, Indonesia lost 9.75 million hectares of primary forest between 2002 and 2020. Furthermore, Hoare stated that Indonesia accounted for more than half of the illegal timber traded globally in 2013. This case has sparked public awareness because the negative impacts of illegal logging include ecological damage, decreased biodiversity and economic value of forests, climate change, and smoke from forest fires, which affect public health and transportation. Reflecting on the high activity of illegal logging of rainforests and tropical forests as well as massive land clearing in Indonesia, it is a matter of significant global concern.

At least the world is experiencing three real threats, including climate change, biodiversity loss, and environmental pollution. In line with this, Indonesia is a country with the third largest area of tropical forest in the world. The

widespread practice of forest degradation (deforestation and illegal logging activities) in Indonesia poses a real threat to environmental sustainability, and at the same time, Indonesia is having a real impact on the current climate damage. Inappropriate land use changes, illegal logging, environmentally unfriendly mining, and wild forest and land fires threaten human life with high levels of pollution in various environmental media such as rivers, air, land, and sea.\(^\text{16}\)

The occurrence of forest degradation caused by state forest management has resulted in climate change. It has become an environmental issue that has attracted the attention of many parties in the last four decades and is predicted to continue to be a topic of discussion in the future due to its complexity. Forest degradation, with its various biophysical components, contributes to increasing global warming, a variant of climate change.\(^\text{17}\) Global warming is believed to have a number of negative impacts that endanger human life.\(^\text{18}\) By considering these climate issues, Indonesia is of special concern to the world regarding environmental management, which directly impacts improving the global climate crisis.

The need for state involvement and consistency is considered very important in overcoming deforestation in Indonesia through solutive government policy instruments and implementing and establishing law enforcement mechanisms against deforestation activities in Indonesia. Therefore, the pressure to create forest protection policies is increasingly massive in importing countries, especially European Union (EU) countries.\(^\text{19}\) Based on this, the EU issues a Forest Law Enforcement, Governance, and Trade, hereinafter abbreviated as FLEGT. FLEGT is a widely used term encompassing government’s endeavors to ensure compliance with laws, regulations, and forestry policies throughout the various stages of land and forest product processing. This includes activities such as harvesting, transporting, processing, and trading of forest products. The primary objective of FLEGT is to address non-compliance scenarios with local, national, and international laws pertaining to the forestry sector.\(^\text{20}\)

As the first country to start FLEGT licensing, Indonesia has an important role in better forestry law enforcement, governance, and trade, including better...


environmental and forest management from upstream to downstream.\textsuperscript{21} In timber-producing countries, stakeholders include government agencies, the private sector, civil society, indigenous peoples, and forest-dependent communities. This is done by involving several parties, generally in wood-producing countries, involving stakeholders, including government institutions, the private sector, companies, civil society, indigenous communities, commodities, and communities whose lives depend on forest products.

Concerning these stakeholders, measuring the implementation performance of the Indonesia–EU FLEGT-VPA (Foret Law Enforcement, Governance, and Trade-Voluntary Partnership Agreement) scheme is necessary for measuring the level of stakeholder satisfaction. The data obtained from a stakeholder analysis can serve a variety of purposes, such as:\textsuperscript{22} input for other examinations, advice on further development and support policy reforms, and direct stakeholder participation.

The importance of studies related to stakeholders stated by Fané and Bagayoko\textsuperscript{23} argued that stakeholders will continue to be included in the program because they have an interest in and impact on the decision-making process and further influence the program's success.\textsuperscript{24} The results of previous studies have shown various advantages and disadvantages of VPA implementation. The EU and partner countries will collaborate in developing and implementing a credible timber legality assurance scheme. If this process is successful, partner countries can obtain FLEGT licenses in the future.\textsuperscript{25} In addition, VPA policies can provide strong legal protections to help partner countries improve their forest governance.\textsuperscript{26} This condition is advantageous because good forest management can increase the sustainability of forest areas and improve the living standards of the people around them.\textsuperscript{27} VPA policies can also help partner countries fight illegal logging, enhance the reputation of wood products, and ensure long-term access to global timber markets.\textsuperscript{28}

The results of studies conducted by Hadiprasetya and Kim show that timber

\begin{footnotesize}
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\item Yoga Hadiprasetya and Jin-Oh Kim, Understanding Stakeholders Perspectives on the Indonesia–EU FLEGT-VPA Scheme Implementation, \textit{Forests}, Vol.13 No.11, 2022, page.2.
\end{enumerate}
\end{footnotesize}
legality is considered to have the highest significance in stakeholder satisfaction, followed by sustainable forest management, law enforcement, new market opportunities, and social protection.\textsuperscript{29} Various findings were also obtained from in-depth and targeted interviews with stakeholders. First, implementing the scheme has facilitated sustainable forest management, reducing the rate of illegal logging and deforestation. Although there are new market opportunities to some extent, implementation of this scheme is result-oriented and less practical for exporters.

The FLEGT-VPA scheme has also increased the legality and traceability of timber and wood products and facilitates good governance by strengthening transparency and upholding the principle of openness through participation and communication between stakeholders. However, social protection was promoted unequally: the employment and social welfare of local people living near companies or industries improved substantially, while forest-dependent people living within forest areas failed to observe comparable advancements in their social and economic well-being. The main challenges identified by stakeholders related to administrative aspects include the high cost of certification and no incentives, especially for small and medium enterprises, the schemes that are uncompetitive and unknown to buyers, the additional burden for exporters along with other certification requirements.

Even though the impact of VPA varies widely, Indonesia continues to ratify this policy and has even developed the Indonesian Timber Legality Assurance System (Indo-TLAS). The main components of Indo-TLAS are the definition of legal timber, the timber transport chain, and an independent verification and monitoring system.\textsuperscript{30} This system is very detailed and strict in preventing illegal logging. In addition, Indo-TLAS is supported by an independent monitoring system consisting of civil society organizations, which gives confidence to the EU in its credibility.\textsuperscript{31} As a result, Indonesia succeeded in implementing a timber legality verification system and became the first country to obtain a FLEGT license.\textsuperscript{32}

Even though Indonesia has obtained FLEGT, Indonesia still faces a significant challenge: whether this license will have a positive effect on the competitiveness of Indonesian timber. Meanwhile, the influence of global trade components, including certification, on product competitiveness is still being debated. According to Adam Smith and David Ricardo, this will benefit countries involved in international trade.\textsuperscript{33} On the other hand, Scholte claimed that

\begin{thebibliography}{99}
\bibitem{29} Hadiprasetya and Kim, “Understanding Stakeholders’ Perspectives on the Indonesia–EU FLEGT-VPA Scheme Implementation.”: 12.
\end{thebibliography}
developed countries controlled global trade and disrupted developing countries, such as Indonesia. This situation is even more interesting because there has been no VPA implementation study and obtaining a FLEGT license on the performance of the Indonesian timber trade.

According to Hadiprasetya and Kim, global efforts in the process of combating illegal logging must involve all countries working together in the form of bilateral and/or multilateral cooperation between timber-producing countries and timber-buying countries, including activities of harvesting, transporting, processing, and trading of timber. These challenges can be effectively overcome by establishing the EU Action Plan on the FLEGT licensing scheme, which aims to ensure sustainable practices regarding the legality of timber from producing countries.

The EU FLEGT Action Plan, adopted in 2003, aims to reduce illegal logging by strengthening legal and sustainable forest management, improving governance, and promoting trade in legally produced timber. It further describes seven actions in seven areas, including an effort to support timber-producing countries, an effort to promote legal timber trade, an effort to promote public procurement policies that are environmentally and socially beneficial, an effort to support private sector initiatives, an effort to build investment financing and protection, an effort to use existing or new legislation, and an effort to overcome the problem of conflict timber.

Giurca and Jonsson argue that the European Union FLEGT Action Plan can be categorized as an effective instrument for the EU to control public authorities and centralize issues, instrumentation, and implementation. It is further divided into two instruments. First are Voluntary Partnership Agreements (VPA) and European Partnership Agreements (EPA). Second is the European Union Timber Regulation (EUTR); each instrument reinforces one another. Furthermore, Hinrichs supports this statement, and Van Helden argues that voluntary schemes can generate bases and criteria that can be adapted to local circumstances through national stakeholder processes, which in turn also offer specific strategies and lessons from implementation that respect regulation.

The VPA defined by Jonsson, Giurca, and Masiero sis that the existence of a voluntary partnership agreement is only to ensure that the timber traded from

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35 Prasada, Nugroho, and Lakner., Impact of the FLEGT License on Indonesian Plywood Competitiveness in the European Union.
36 Hadiprasetya and Kim., Understanding Stakeholders’ Perspectives on the Indonesia--EU FLEGT-VPA Scheme Implementation, page. 1-2
40 Hinrichs and van Helden.
all timber-producing countries sent to the European Union comes from legal sources and is also intended to support these partner countries ensures that they advance forestry governance and regulations in each country. The partnership also aims to intensify national efforts and strengthen bilateral, regional, and multilateral cooperation to address violations of forest law and forest crime, particularly illegal logging, illegal trade, and related corruption, as well as their negative impact on the rule of law.\textsuperscript{41}

Therefore, before carrying out FLEGT licensing, VPA countries must carry out several stages, starting from the information stage, the pre-negotiation stage, then the negotiation stage, and finally, the implementation stage.\textsuperscript{42} Forestry land management can be interpreted as a process that determines changes in forest areas from time to time that change forests into other lands, either through conversion caused by humans (especially to agriculture and settlements). Economic factors in the forestry industry and wood processing products are the biggest aspects of deforestation activities in Indonesia. According to Nima Norouzi and Elham Ataei, it was thought that a severe lifestyle change would be impossible to reduce climate change. It has been argued that economic growth has always taken precedence over environmental protection. It has always been said that governments do not have the necessary funds to finance energy transfers in countries and abroad.\textsuperscript{43}

Natural disasters, such as volcanic eruptions, earthquakes, or floods, cause other things that happen outside of forestry land management. However, disasters also sometimes occur as a result of human actions themselves. The occurrence of violations in the field of forest management will automatically result in forest degradation. Forest degradation is the reduced capacity of forests to provide goods and services. The decreased viability of forests will have profound consequences for the global population. The depletion of water and soil resources, decline in biodiversity, and habitat loss pose significant threats to all forms of life, hence elevating the issue to a worldwide subject of discussion.\textsuperscript{44}

2. Research Methods

This research employs a qualitative methodology, using a juridical empirical, statutory, and conceptual framework to examine the use of the FLEGT concept to enforce deforestation regulations. It was conducted on several administrators and policymakers in environmental agencies, as well as several activists in environmental institutions in the Provinces of South-Sulawesi and West Sulawesi, as well as involving relevant agencies in implementing environmental

\textsuperscript{41} Ragnar Jonsson et al., \textit{Assessment of the EU Timber Regulation and FLEGT Action Plan} Joensuu, Finland, European Forest Institute, 2015


\textsuperscript{44} Forest Resources Assessment Working Paper, \textit{Terms and Definition}, Rome: Food and Agriculture Organization of the United Nations, 2015, page.5
management, especially in the forestry sector. Researchers are compelled to analyze only samples collected from two distinct places due to the considerable geographical distance between various offices or organizations. Subsequently, the authors present legal materials and apply data collection techniques in this paper, such as documentation and interviews. Then, the analysis of legal materials focuses on inventory aspects between legal materials in the form of soft files and hard files. Manual inventory is carried out on hardfile legal materials, while digital inventory is carried out on legal materials in softfile form. Following the completion of the inventory, a comprehensive analysis is conducted, taking into consideration the relevant legal matters and the formulation of the raised debate.

3. Result And Discussion

3.1 Indonesia Emergency Deforestation: Reforestation a Way Out?

Indonesia, one of the ten largest countries with the world's largest forest land, cannot avoid using and exploiting forest land to be used as plantation lands. More than half of Indonesia's territory is forest, making it the eighth country with the largest forest in the world in 2020. Indonesia has 97 million hectares of forest land and contributes two percent of the total forest area in the world. Based on the most recent statistics provided by the Ministry of Environment and Forestry of the Republic of Indonesia, the forested regions in Indonesia include a total area of 125,795,306 hectares. These forest areas are demarcated by a border length of 373,828.44km, which comprises 284,032.3km of outer boundaries and 89,796.1km of functional boundaries delineating the forested areas. The available data shows that as of December 2022, about 332,184.0km (88.88%) of forest area borders have been established. This figure comprises 242,387.8km (65%) of outer forest area boundaries and 89,796.1km (24%) of forest area functional boundaries.45

Land clearing aimed at creating the country's economic wheel in agriculture and the conversion of forestry land is considered an unavoidable will of the state. The state, in this case, the government, also really needs to promote economic circulation both conventionally and internationally through cooperative relations between countries. The high demand for Indonesian products from other countries, which is related to timber production, has an impact on state revenues. Even this is supported by the availability of existing raw materials in production activities.

On April 23, 2020, the government, through the Ministry of Environment and Forestry (KLHK), announced the deforestation rate or loss of Indonesia's forests for the 2018-2019 period, precisely 462.4 thousand hectares.46 This figure is the net deforestation rate, namely the area of forest lost minus the number of replanting or reforestation. Indonesia's gross deforestation rate in 2018-2019


has decreased slightly from the previous period (2017-2018) of 493.9 thousand hectares. According to data from the Directorate General of Climate Change Control of the Ministry of Environment and Forestry, natural forest located in the Timber Utilization License - Timber Estates (IUPHHK-HTI, Izin Usaha Pengelolaan Hasil Hutan Kayu Hutan Tanaman Industri) area or Industrial Plantation Forest (HTI, Hutan Tanaman Industri) reaches 2.9 million hectares, including 1.49 million hectares located in areas with protected directives. The possible loss of the natural forest resulting from the extension of the plantation area of the HTI poses a significant risk to Indonesia’s climate pledge aimed at preventing deforestation.

In addition, based on Madani’s analysis, there are 9.5 million hectares of natural forest outside the Indicative Map for Termination of Granting New Permits (PIPPIB, Peta Indikatif Pemberian Izin Baru) and Indicative Map of Social Forestry Areas (PIAPS, Peta Indikatif dan Areal Perhutanan Sosial) and outside permit/concession areas that are threatened because the Presidential Instruction (Inpres) policy No. 5/2019 concerning Termination of Issuing New Permits and Improving the Management of Primary Natural Forests and Peatlands (Permanent Moratorium on Forests and Peatlands) has not protected them. This 9.5 million hectares of natural forest urgently needs to be included in the termination area for new permits so that Indonesia can achieve its climate targets.

Regarding the expansion and increasingly massive deforestation activities in Indonesia, there is a need for a re-greening aspect that all parties, both the government and all levels of society, must carry out. Reforestation is considered to be very able to help the world in fighting climate change due to the high amount of carbon on Earth, where forests are able to absorb carbon dioxide from the air and convert it into oxygen through the process of photosynthesis to be then stored in stems, branches, roots, trees as well as soil. Reforestation, or what is known as forest rehabilitation, is an activity that revegetates forest plants so they can grow again (reforestation). It seems to be a way out and hopes to repair damage to land and forest areas resulting from existing deforestation activities.

However, what is of concern now is that reforestation or forest rehabilitation activities are not as massive as deforestation activities, so even though the rate of forest destruction is relatively decreasing, the decline is prolonged. On the other hand, the process of forest rehabilitation requires a very long time until the land and forest areas that have been damaged can return to their original state. The development of the concept of protection and law enforcement, in principle, is oriented toward how to place humans as the most important

48 Accessed via the website https://indmira.com/reforestasi-sebagai-langkah-pengurangan-jejak-karbon/
element in monitoring, controlling, or preserving the natural environment.  

### 3.2 Legal Basis and Policy for Enforcement and Management of Deforestation in Indonesia

One of the ideologies and principles in managing natural resources in Indonesia refers to the provisions of Article 33 of the 1945 Constitution after the amendment, which hypothetically must be carried out on the basis of the greatest prosperity of the people. The state's right to control over land, water, and natural resources is intended only to promote the prosperity and well-being of the Indonesian people. From the principles stated in the 1945 Constitution, the conception of environmental management in Indonesia becomes very important so that the people fully own the benefits and results of the environment.

Indonesia already has several policies and regulations that generally reflect enforcement principles, both in terms of administration and state accountability, including:

3.2.1 Illegal logging handling policy, through the Timber Legality Assurance System (SVLK, Sistem Verifikasi dan Legalitas Kayu), which is a system that guarantees the sustainability of forest management and/or timber legality as well as timber traceability through certification of assessment of Sustainable Production Forest Management (PHPL, Pengelolaan Hutan Produksi Lestari), Timber Legality Certification (S-LK, Sertifikasi Legalitas Kayu), and Declarations Supplier conformity (DKP). Through the Minister of Forestry in June 2009, the Indonesian government issued Minister of Forestry Regulation No. P.38/Menhut-II/2009 concerning Standards and Guidelines for Performance Assessment of Sustainable Production Forest Management and Verification of Timber Legality in Permit Holders or Private Forests. However, it has been amended into Regulation of the Minister of Forestry No.P.43/2014, which aims to improve the quality of implementation of sustainable production forest management and timber legality.

3.2.2 Forest Law Enforcement Governance and Trade (FLEGT) is a policy initiated by the European Union with the aim of helping timber-producing countries improve their governance and capacity building in combating Illegal Logging. FLEGT also aims to minimize activities against illegal timber consumption and prevent the entry of illegal wood products into

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50 Hasbi Assidiq., *Perlindungan Hukum Keanekaragaman Hayati (Relasi Sawit Dan Deforestasi)* [Legal Protection of Biodiversity (Relationship between Palm Oil and Deforestation)], Gowa, Jariah Publishing Intermedia, 2021, page.5-6.


Forest utilization and protection have also been regulated in several provisions, including The 1945 Constitution of the Republic of Indonesia, Forestry Act No. 41 of 1999, Legislation-Replacement Government Law (Perpu, Peraturan Pemerintah Pengganti Undang-Undang) No. 1 of 2004 with The Security Laws (Amendment) to Forestry Act No. 41 of 1999, Law of Republic Indonesia No. 19 of 2014 regarding the Stipulation of Perpu No. 1 of 2004 with Amendments to Law No. 41 on Forestry (Forestry Law), Law No. 32 of 2009 on Environmental Protection and Management (Environmental Law), and Law No. 18 of 2013 on Prevention and Eradication of Forest Destruction in relation to certain adjustments regarding sanctions for various violations in forest areas through The Omnibus Law.

Furthermore, in Law No. 18 of 2013 on Prevention and Eradication of Forest Destruction, it is also explained that the utilization and use of forest areas must be carried out in an appropriate and sustainable manner by taking into account ecological, social, and economic functions as well as to maintain sustainability for present life and the lives of future generations. The efforts to prevent and eradicate forest destruction are based on the following principles: justice and legal certainty, sustainability, state responsibility, community participation, accountability, priority, and integration and coordination.

Meanwhile, Article 3 of Law No. 18 of 2013 states that the prevention and eradication of forest destruction aims to (1) guarantee legal certainty and provide a deterrent effect for perpetrators of forest destruction; (2) ensure the existence of forests in a sustainable manner while maintaining sustainability and not damaging the environment and surrounding ecosystems; (3) optimizing the management and utilization of forest products by taking into account the balance of forest functions in order to create a prosperous society; and (4) increasing the capacity and coordination of law enforcement officials and related parties in handling the prevention and eradication of forest destruction.

In addition, Law No. 32 of 2009 on Environmental Protection and Management (Environmental Law) clearly states that a decrease in the quality of the environment will threaten the survival of humans and other creatures, which, in the end, defeats the need to protect and manage the environment based on a strong commitment consistently carried out by all parties (government, stakeholders, and civil society). This shows that the policies and regulations in Indonesia are intentionally based on state responsibility, sustainability, harmony and balance, integration, benefits, prudence, justice, ecoregions, biodiversity, polluters' pay, participation, local wisdom, good governance, and regional autonomy.

54 Republik Indonesia, Undang-Undang Republik Indonesia Nomor 18 Tahun 2013 Tentang Pencegahan Dan Pemberantasan Perusakan Hutan [Law of the Republic of Indonesia Number 18 of 2013 concerning Prevention and Eradication of Forest Destruction], Jakarta, Sekretariat Negara, 2013
According to Article 3 of Law No. 32 of 2009, the objectives are as follows: safeguarding the territory of the Unitary State of the Republic of Indonesia against environmental pollution and/or damage, ensuring the safety, health, and well-being of human beings, guaranteeing the survival of living organisms and the preservation of ecosystems, upholding the preservation of environmental functions, and attaining environmental harmony and balance. The objectives include guaranteeing justice for present as well as future generations, protecting the right to a healthy environment as an integral component of human rights, exercising prudent management over natural resources, achieving sustainable development, and proactively addressing global environmental issues.

The government's inconsistency has also not been seen in policy instruments that are in-depth in nature, which create nationally strategic programs in environmental management, especially in concrete terms of deforestation. Finally, it is known that the Indonesian government's national agenda of moving the new nation's capital to the island of Kalimantan has also created a new polemic regarding forestry land management in Indonesia. However, this agenda is an alternative option for tackling other environmental impacts, namely a decrease in the volume of the Jakarta province's land area, which currently the land area of Jakarta is under increasing sea volume.

In this case, Indonesia needs to present strategic policies through the policy concept of the Green Concept of Environmentally Friendly Management through policy instruments, whether through laws and regulations, government regulations, presidential regulations, or the level of regional regulations. Like Sweden's green politics plan, the Green Environmentally Concept (GEC) is also expected to become a new ethic in environmental management, from the economic, administrative, and law enforcement aspects to the aspect of restoring and repairing environmental damage.

3.3 Law Enforcement Efforts and Current Handling of Deforestation Activities in Indonesia

Regulations in the forestry sector initially did not stipulate concrete legal sanctions for criminal acts in the forestry sector. All actions carried out by the government and society must be legally accountable. The aforementioned circumstances have led to a deficiency in law enforcement and insufficient surveillance, further compounded by instances of corruption among Indonesian authorities. Bureaucrats, political parties, businesspeople, and companies, as well as members of parliament, the army, and even the police, have been involved in corrupt activities in the forest sector, for example, asking for bribes to obtain business licenses and allowing exports without official permits. Even though it is known that the issuance of such a permit ensures the protection and management of the environment as well as a prerequisite to obtaining a business permit, these officials still engage in corrupt practices, which is

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counterproductive. Similar corrupt behavior is also widespread in Indonesian courts, resulting in very few cases reaching trial and even fewer convictions. The Law No. 18 of 2013 on Prevention and Eradication of Forest Destruction was enacted by the government in 2013. The objective of this initiative is to enhance the enforcement of forestry legislation. As a result, the Indonesian government has furthermore developed many forestry law enforcement bodies.

The Ministry of Environment and Forestry has a specific department known as the Directorate General of Environmental and Forestry Law Enforcement. This department is responsible for the development and execution of policies that are designed to mitigate disruptions and threats to forest areas, as well as address infringements against forests and the natural environment. The Director General employs forest rangers and civil servant investigators. Budgetary and personnel limitations often constrain forestry law enforcement by the Ministry of Environment and Forestry. Law enforcement in Indonesia must always be evaluated and developed in order to reduce cases of crimes in the forestry sector, which will reduce the rate of deforestation in Indonesia.

In the example of deforestation, illegal logging, including mining and unpermitted plantations, has resulted in state losses and the destruction of socio-cultural life and the environment. In addition, it causes an increase in global warming, which has become a national, regional, and international issue. It needs to be understood that forest destruction has become a crime with extraordinary impact because it is transnationally organized and carried out with a sophisticated modus operandi. Also, the presence of this danger has posed a significant risk to the community’s existence. To mitigate this risk, it is imperative to establish a robust legal framework that can ensure the efficacy of law enforcement measures. Enforcement of environmental law can be interpreted by using or applying instruments and sanctions in the fields of administrative law, criminal law, and civil law to force the target legal subject to comply with environmental laws and regulations.

The use of administrative law instruments and sanctions is carried out by government agencies and also by citizens or civil legal entities. For the use of criminal law sanctions, it can only be carried out by government agencies. Meanwhile, civil law instruments, namely civil lawsuits, can be carried out by

59 Takdir Rahmadi, Hukum Lingkungan Di Indonesia [Environmental Law in Indonesia], Jakarta, Raja Grafindo Persada, 2011
citizens, civil legal entities, and government agencies. From the use of existing enforcement instruments it is certainly not enough to be able to suppress and stop deforestation activities in Indonesia. Several supporting variables, including deforestation activities, are of concern to the government in terms of enforcing environmental laws.

These factors are as follows: first, the legal factor itself, in this case, is limited to the law. Second, law enforcement factors, namely the parties that form or apply the law. Third, the factor of facilities or facilities that support law enforcement. Fourth, community factors, namely the environment where the law applies or is applied. Fifth, cultural factors result from work, creativity, and taste based on human initiative in social life. Sixth, the existence of natural resource conflicts that occur due to differences of opinion and disputes regarding the position, interests, and needs for the utilization of natural resources. This source of conflict often arises due to differences in the use of resources or differences in the way they are managed. Differences of opinion also occur when each has conflicting interests or when the priorities of some user groups are not represented in existing policies and programs.

3.3.1 FLEGT Action Plan as a Basis for Enforcing Deforestation Laws on Forest Products

The FLEGT Action Plan encompasses various components aimed at addressing the issue of illegal timber trade. These include providing assistance to countries involved in timber production, fostering multilateral cooperation to combat the trade in unlawfully harvested timber, implementing voluntary measures to assist governments in preventing the recognition of illegally sourced timber in EU markets, establishing public procurement policies, encouraging private sector initiatives, adopting measures to discourage investments in activities that promote illegal logging, and addressing the issue of conflict timber. Furthermore, the problem at hand may be effectively addressed by implementing the laws already in place at both the Community and Member State levels.

The highest rates of illegal logging are found in developing market countries, and development cooperation between countries has a vital role to play in building capacity and effectiveness in tackling the problem of illegal logging. Following are some indicators of handling aspects that were launched through

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61 Rahmadl.
64 Alauddin.
66 Ambarasti, page. 6.
the official document of the Commission of The European Communities. FLEGT licenses are issued for the following purposes:\footnote{67 SCS Global Services Manual, \textit{Manual Penerbitan Dokumen V-Legal/Lisensi FLEGT}, Jakarta: Scientific Certification Systems, 2018, page.7.}

\begin{enumerate}
\item Goods regulated in Appendix 1 of the Indonesian and European Union FLEGT-VPA (Annex I) are not allowed to be mixed with non-FLEGTLicensed goods, so the Invoice, Packing List, and Bill of Lading documents for FLEGT-licensed goods must also be separated from the goods Non-FLEGT Licence, either in the form of a separate document or in the form of a separate part of the information even though it is in the same 1 (one) document. FLEGT licenses may not be issued for products/goods that are not regulated in Appendix 1 of the FLEGTVPA.
\item Indonesia and the European Union (Annex I). Exhibition products and/or sample products included in Tariff Headings and HS Codes Appendix 1 of the Indonesian and European Union FLEGT-VPA (Annex I) with destination countries included in the Indonesian and European Union FLEGT-VPA Agreements must be accompanied by a FLEGT License.
\end{enumerate}

3.3.2 Sustainable Forest Operations as an Effort to Repair Damage to Forestry Land

Sustainable forest operations are one of the efforts made to overcome the problem of damage to forestry land that occurs in Indonesia. This particular aspect has significant importance since the degradation of forested areas may have adverse effects on both environmental sustainability and the sustenance of human existence, which relies on the natural resources provided by these ecosystems. Various efforts such as rehabilitation, restoration, and reforestation have been carried out before but have not shown significant results. Therefore, the doctrine of sustainable forest operations as an effort to repair damage to forestry land is essential to do.

Social forestry is a sustainable forest management system implemented in state forest areas or customary forest areas implemented by local customary communities or community customary law as the main actors. This program is mandated by Law No. 41 of 1999 on Forestry Article 3 letter (d), which is related to the objectives of forestry administration, one of which is to increase capability and capacity building and empowerment as well as increase community participation, justice, and environmental awareness to create social resilience and economics and handling resistance by changes from the aspect of external tendencies. This system has been mandated in Law No.41 of 1999 on Forestry Article 3 letters (d) and (e), which relate to the aim of increasing the ability to develop capacity and community empowerment in a participatory, fair, and equitable manner environmentally friendly to create resilience social and economic as well as resilience to the consequences of change externally, then guarantee a fair and sustainable distribution of benefits.\footnote{68 Maskun Maskun et al., \textit{Oil Palm and Social Forestry Policies in Indonesia: Legal Literature Review, Psychology and Education}, Vol.57 No.9, 2020, page.510–16.}

Sustainable forest operations are a way of sustainable forest development that
aims to increase the productivity and quality of the forest environment while at the same time increasing the welfare of the people who depend on forest resources. This operation is carried out by changing how forests are managed through innovative, transparent, participatory, and sustainable methods to create a balance between production, conservation, and social aspects. The sentence is incomplete.

One successful sustainable forest operation example is in Berau District, East Kalimantan. In Berau, the model of strengthening partnerships between companies and communities is carried out well to increase forest productivity and the welfare of the surrounding community. This model is called the Community Housing Forest Housing (PHBM, Pengelolaan Hutan Berbasis Masyarakat) program, in which local communities become partners in managing forests that large companies have controlled.

In addition, supporting factors are also important in the success of sustainable forest operations. One of them is the government's commitment to strictly supervise and monitor the implementation of these operations, ensuring that the entire process is carried out in accordance with the principles of sustainable forest management. In addition, financial support and modern technology are also urgently needed to increase the effectiveness and efficiency of its implementation. Sustainable forest operations must be understood as part of a more significant social and environmental transformation, namely social change in the management of natural resources that promotes sustainability. In the Indonesian context, support from various parties, such as communities, academics, and environmental organizations, must be provided to ensure the success of sustainable forest operations.

FLEG T is a term commonly used to cover efforts made by a state and government to ensure that laws, rules, and forestry regulations are complied with during and in the process of processing land and forest products, including harvesting, transporting, processing, and trading of forest products and to address non-compliance with local regulations, national or international laws relating to the forestry sector. Furthermore, as reported from the official website of ITTO, forestry laws must at least contain and regulate several aspects, which may include but are not limited to encouraging exemplary actors that have successfully adopted sustainable forest management practices and shown compliance with pertinent norms and regulations, preventing the progress of forest investment, illegal forest products engender market distortions by failing to accurately represent the genuine value of legally sourced and sustainable wood as well as other forest commodities, the act of decreasing government income through reducing taxes and other levies, impeding endeavors aimed at fostering sustainability among customers, and the

71 ITTO (International Tropical Timber Organization).
adverse effects on the ecosystem and the sustenance of populations reliant on forests.

Therefore, the arrangement of the Action Plan is crucial within the broader framework of the European community’s endeavors to attain sustainable forest management, including both internal and external domains of the EU. The European community actively engages in extensive collaborative initiatives on tropical forest development in Brazil, Central Africa, and Indonesia.\(^7^2\)

3.3.3 SVLK as the basis for processing forest products

Timber Legality Assurance System (SVLK) as the basis for processing forest products is a very important activity for the state and society. Besides boosting the economy, processing forest products can also meet the needs of industrial raw materials and be used as raw materials for development. However, the processing of forest products must be carried out in the right way, namely by paying attention to legal, social, and environmental aspects.

Timber legality is the existence of documents or certificates for timber that show that the wood has been produced legally. Timber legality verification is a process of checking from several independent parties on the legitimacy and correctness of forest/timber producer documents related to timber legality. The timber legality verification system is used as the basis for the effective and efficient processing of forest products. The purpose of the verification system is to guarantee environmental sustainability and the survival of the community and meet international standards set by the government.

The timber legality verification system can be implemented through several methods, namely by implementing a computing system to apply QR (Quick Response). QR is a form of breakthrough in validating data on processed wood products, which is directly integrated into data from the KLHK and companies that are verified as the parties responsible for providing the wood products. QR can also be an evaluation of the item code number which is usually used on a product, and code coding, which will indicate where the source of the wood comes from. In addition, it can also be applied through the development of information technology to save time and reduce costs. The timber legality verification system must also involve stakeholders and the community as an essential part of monitoring and guiding the processing of forest products.

According to Setyorini et al., an adequately implemented timber legality verification system can bring great benefits in realizing sustainable processing of forest products. The timber legality verification system has a positive impact on the processing of forest products.\(^7^3\) In addition, according to Parluhutan Siregar and Siti Nurlaila, a timber legality verification system can increase public


trust in the wood processing process. Communities will exhibit a higher level of trust in wood products derived from forest resources that are managed in accordance with legislative frameworks and legally validated by authoritative bodies. SVLK simultaneously regulates various forest management systems (on forest) and timber trade (off forest). Prior to the SVLK, the Indonesian government had implemented several instruments to test the sustainability of forest management practices and the legality of the timber trade.

There are two basic approaches to implementing regulations for sustainable forest management in Indonesia: mandatory and voluntary instruments. In 2002, the Indonesian government adopted a mandatory certification approach based on an independent assessment of criteria and indicators called Sustainable Production Forest Management (SPFM). This certification is mandatory for logging concessions but not for community forests. Although this instrument is not mandatory for community forests, SPFM principles must be implemented for community forest management units interested in implementing the SVLK.

In addition to the mandatory instruments, there are a number of voluntary certifications based on national and international standards for sustainable forest management. The Indonesian Ecolabelling Institute (LEI, Lembaga Ekolabel Indonesia) is a leading national institute that started in the 1990s and promoted national standards for sustainable forest management. For actors within forest management units wishing to apply for internationally recognized voluntary certification for sustainable forest management, the Forest Stewardship Council (FSC) provides a viable option.

The forest administration in Blora, Central Java Province, considers PHPL very important because it is mandatory for teak forests managed by Perhutani. PHPL is also important for the Wonosobo administration because it requires SVLK certification to be valid there. The forest manager in Wonogiri considers that PHPL is quite crucial because it supports the existing LEI certification system. However, direct actors in Wonosobo, Wonogiri, and Blora consider the PHPL instrument to be insignificant because it is not mandatory. In addition to the existing mandatory and voluntary instruments for forest management, the SVLK has been officially used as a mandatory instrument to check the legality of all forest management units, including community forests, since 2012 (Permenhut No. 45/2012 (Ministry Forestry Law No. 45/2012). The Ministry of Forestry

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74 Parluhutan Siregar and Siti Nurlaila, Verifikasi Legalitas Kayu Sebagai Penguat Keberlangsungan Pengelolaan Hasil Hutan [Verification of Timber Legality as Strengthening the Sustainability of Forest Product Management], in Prosiding Seminar Nasional Teknik Industri, Universitas Negeri Medan, 2021, page.143–48.


76 D R Nurrochmat and Yulianti Marwoto,., Policy Options to Integrate the Domestic Timber Market into Formal Economy: Case Studies of Three Regencies of Central Java Province of Indonesia, in Working Paper Series No. 05. Center for International Forestry Research (CIFOR) and Center for Agriculture and Rural Development Studies (PSP3), Bogor: Bogor Agricultural University (IPB), 2013
(Kemenhut) believes that the SVLK is an essential instrument for ensuring the legality of forest management practices, and this will increase the legitimacy of Indonesian timber products in the international market, particularly for EU countries. However, regional forest administrators at the district level do not always share the rights of the Ministry of Forestry. The local forest administrator believes that SVLK certification is quite important because, although verifying the legality of timber for community forests (all trees growing on private land) is outside the scope of the official forest authority’s duties, these forests support ecosystem sustainability and contribute timber resources.

Except for two farmer groups who obtained SVLK certificates in Wonosobo and Blora, other stakeholders consider SVLK to be insignificant. Forest governance implements or will implement SVLK only because it is required by central regulations. The local government, which is the forestry service, believes that the SVLK will give them additional, unnecessary tasks. Most stakeholders consider that the SVLK is actually less critical (not or quite important) because it causes many redundancies with existing administrative procedures.77 These Indonesian respondents prefer to focus on the local market or, “Indonesia will look at other potential countries to trade their wood with fewer regulations but continue to buy their products”. Monuments reported that in 2012, a total of more than 1.4 million hectares of Indonesia's forests were certified by the FSC, the second-largest certified forest area in Asia after China.78 Although certified forest area in Indonesia continues to grow, the exports of forest products to the EU are declining.79

In order to address the aforementioned issues, the researchers put up the following suggestions. First, synchronization of certification can be considered as a means of upgrading the status of FLEGT-licensed timber and timber products by supporting exporters to fulfill other required credentials from the EU market. Therefore, the Indonesian government must carry out further coordination between the SVLK/TLAS issued by the Assessment Body and Independent Verification (LP&VI, Lembaga Penilai dan Verifikasi Independen) and other commercial forest certification issued by international bodies. Second, it is essential to make necessary revisions to ministerial regulations in order to enhance comprehension of the FLEGT-VPA and its associated licenses. Additionally, fostering collaborative decision-making among the Indonesian Ministry of Environment and Forestry and other related ministries will play a pivotal role in ensuring the effective execution of this policy. Third, it is necessary to provide financial assistance and incentives to help Small and Medium Enterprises (SMEs) involved in implementing the FLEGT-VPA scheme. As companies in Indonesia that export timber products to EU members do not

78 A Monument, FSC Certification in Central Africa and Impact on Trade in Asia, in ATIBT Forum Ho Chi Minh City, 23 October 2012 (Forest Stewardship Council, 2012).
79 Giurca et al., Ambiguity in Timber Trade Regarding Efforts to Combat Illegal Logging: Potential Impacts on Trade between South-East Asia and Europe.
receive any financial incentives with FLEGT licenses, both the Indonesian and EU governments should collaborate for deeper communication to address this issue and create market incentives for all FLEGT-licensed products.

4. Conclusion

It may be inferred that the enforcement of environmental laws in Indonesia has not achieved significant progress. The role and functions of the agencies with authority and power tend to override aspects of law enforcement, both in terms of procedural requirements, remedies, and sanctions that have been stipulated and explicitly established in the relevant laws and regulations. The challenges associated with enforcing regulations within the environmental sector in Indonesia exacerbate the existing difficulties in enforcing those regulations. Those challenges make it even more difficult to create good and transparent governance for the utilization of forestry and timber products. Poor management practices have significant ramifications for the enforcement of administrative violations within the forest usage area, as well as for instances of power abuse by the government’s authoritative employees involved in environmental management, particularly within the forestry sector. Furthermore, reforestation schemes or restoration of forestry land resulting from deforestation activities are also not yet effective. This can be attributed to the fact that forestry industry activities carried out by companies and entrepreneurs continue to run without being accompanied by a sufficient level of accountability in terms of environmental restoration. Based on a rigorous review and assessment of the implementation of the FLEGT scheme, as the first country to be granted a license, comprehensive studies and appropriate steps must be taken to remedy the negative impact and mitigate the potentially detrimental effects on the timber industry in Indonesia. Finally, working towards the creation of a logo that represents the legality, traceability, and sustainability of wood products will further strengthen the credibility of the license and encourage a more significant number of companies to participate in the implementation of the FLEGT scheme.

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