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**INSTRUCTION BY THE PRESIDENT OF THE REPUBLIC OF INDONESIA**

**NUMBER 10 YEAR 2011**

**REGARDING**

**SUSPENSION OF GRANTING NEW LICENSES AND IMPROVEMENT OF NATURAL PRIMARY FOREST AND PEATLAND GOVERNANCE**

**THE PRESIDENT OF THE REPUBLIC OF INDONESIA,**

In order to balance and harmonize economic, social, culture and environment development and the effort to reduce Greenhouse Gas Emission by reducing emission from deforestation and forest degradation, hereby instruct:

1. The Minister of Forestry
2. The Minister of Home Affairs
3. The Minister of Environment
4. Head of Presidential Unit for Monitoring and Control of Development
5. Head of National Land Agency
6. Head of National Spatial Planning Coordinating Agency
7. Head of National Survey and Mapping Coordinating Agency
8. Head of REDD+ Taskforce or Head of the institution formed to implement REDD+
9. The Governors
10. The Regents/Mayors

To:

**FIRST:** Take necessary steps according to their respective task, function, and authority to support the suspension on granting of new licenses in primary natural forest and peat land in conservation forest, protected forest, production forest (limited production forest, regular/permanent production forest, conversion forest) and areas for other uses<sup>1</sup> as in the Indicative Map for Suspension on New Licenses that is a Presidential Instruction Appendix.

**SECOND:** Suspension on granting new licenses mentioned in the First Dictum applies to the utilization of primary natural forest and peat land with the exception of:

- a. Application granted with principle approval from the Minister of Forestry;
- b. Implementation of vital national development, i.e.: geothermal, oil and natural gas, electricity, land for rice and sugarcane;

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<sup>1</sup> This refers to the legal land status that can be forest lands and non-forest lands and does not refer to forest cover.

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- c. Extension of existing permits for forest exploitation and/or forestry area utilization as long as the business license remains valid; and
- d. Ecosystem restoration.

THIRD: Exclusively to:

1. The Minister of Forestry:
  - a. To suspend issuance of new licenses within primary natural forest and peat land in conservation forest, protected forest, production forest (limited production forest, regular/permanent production forest, conversion forest) according to the Indicative Map for Suspension on New Licenses.
  - b. Improve governance policies for land lease permits<sup>2</sup> and timber exploitation permits in natural forest<sup>3</sup>.
  - c. Increase the effectiveness of management of critical lands<sup>4</sup> by taking into consideration good governance policies for forest and peat lands, among others through ecosystem restoration.
  - d. Conduct a revision of the Indicative Map for Suspension on New Licenses within forest lands once every 6 (six) months.
  - e. Enact the Indicative Map for Suspension on New Licenses of natural primary forest and peat land within forest lands once it has been revised.

2. The Minister of Environment:

Make efforts in reducing emission from forest and peat land by improving governance in business activity proposed in forests and peat lands within the Indicative Map for Suspension on New Licenses through environment licenses.

3. The Minister of Home Affairs:

Advise and monitor Governors and Regent/Major in the execution of this President's Instruction.

4. Head of National Land Agency

To suspend issuance of permits for land use rights, among others, business use rights<sup>5</sup>, use rights in areas for other use<sup>6</sup> according to the Indicative Map for Suspension on New Licenses.

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<sup>2</sup> These are areas of forest granted with forest lands for road construction, mining, and other purposes.

<sup>3</sup> This only includes logging licences, and not other forms of permits such as industrial timber plantations

<sup>4</sup> Critical lands (lahan kritis) is a technical term used by Ministry of Forestry that defines areas that describes land areas damaged such that they have lost or have a reduced functionality based on certain criteria.

<sup>5</sup> Business use rights (Hak Guna Usaha) are a legal right to use state lands such as those issued to agricultural enterprises that include oil palm estates

<sup>6</sup> Areas outside of forest lands

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5. Head of National Spatial Planning Coordinating Agency:

To accelerate consolidation of Indicative Map for Suspension on New Licenses into the revision of regional spatial plans as part of revising land use governance through cooperation with Governors, Regents/Mayors, and the Head of REDD+ Taskforce or Head of the institution formed to implement REDD+.

6. Head of National Survey and Mapping Coordinating Agency:

To renew the land cover and peat land map according to the Indicative Map for Suspension on New Licenses in forest lands and area for other use once every 6 (six) months through cooperation with the Minister of Forestry, Head of National Land Agency, and Head of REDD+ Taskforce or Head of the institution formed to implement REDD+.

7. The Governors:

To suspend issuance of new letters of recommendation<sup>7</sup> and location permits<sup>8</sup> in forest lands and peat lands and area for other use according to the Indicative Map for Suspension on New Licenses.

8. Regents/Mayors:

To suspend issuance of new letters of recommendation and location permits in forest lands and peat lands and area for other use according to the Indicative Map for Suspension on New Licenses.

FOURTH: The Indicative Map for Suspension on New Licenses in areas for other use as mentioned in the THIRD Dictum number 6 is to be enacted by the Minister of Forestry.

FIFTH: Suspension for new licenses, letters of recommendation, issuance of location permits as mentioned in the THIRD Dictum will prevail for 2 (two) years since the issuance of this Presidential Instruction.

SIXTH: Implementation of the Presidential Instruction is reported by the Minister of Forestry to the President once every 6 (six) months or whenever deemed necessary.

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<sup>7</sup> Many licences for both forestry, mining, and agricultural enterprises require letters of recommendation.

<sup>8</sup> A legal term (izin lokasi) which is the starting point to obtain a business or other land use right on state lands outside of forest lands.

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SEVENTH: Head of Presidential Unit in for Monitoring and Control of Development and/or Head of REDD+ Taskforce or Head or the institution formed to implement REDD+ will monitor the implementation of this Presidential Instruction and report the result to the President.

EIGHT: Implement this Presidential Instruction with full responsibility.

This President's Instruction starts effectively on the date of issuance.

Issued in Jakarta on 20 May 2011

PRESIDENT OF THE REPUBLIC OF INDONESIA

Signed

DR. H. SUSILO BAMBANG YUDHOYONO

A copy in accordance with the original

CABINET SECRETARIAT RI

Deputy Economic Affairs,

Signed

Retno Pudji Budi Astuti