

Indonesia decides on SVLK conditions for timber exports

06 May 2020



A briefing from the Indonesian Environment and Forestry Minister, Siti Nurbaya, confirmed that following a series of meetings with relevant ministries, lobbying from international trade bodies and other relevant stakeholders, SVLK conditions will continue as a mandatory requirement for exporting forestry industry products. Source: Timberbiz

The regulation issued in February by Indonesia's trade ministry, which would have taken effect from 27 May, would allow timber exports without verifying their legal source.

"The main thing is Indonesia still wants to maintain SVLK as one of our major investments for the long-term interests of sustainable businesses, especially MSMEs, as well as for the benefit of Indonesia's forests," Minister Nurbaya said.

SVLK is an acronym for Indonesia's national timber legality assurance system (Sistem Verifikasi Legalitas Kayu), the constitute proof of legality for Indonesian timber products. Achieving FLEGT status in November 2016, Indonesia's SVLK system addresses the reputation of Indonesian timber, verifying the provenance of timber along every part of the supply chain to ensure legality.

FLEGT licensing goes beyond legality to support the three pillars of sustainability: social, economic and environmental benefits. The benefits of Indonesia's SVLK have resulted in

increased trade, stakeholder engagement, improved forest governance, transparency and demand for legal timber.

Indonesia and society benefited socially from greater transparency, access to information and communication as a result of FLEGT. Furthermore, there have been greater access to jobs, new job creation and foreign direct investment from business opportunities, in particular to further processing activities including furniture making.

Economically, the implementation of FLEGT in Indonesia has increased Indonesia's timber products competitiveness for the EU and other regulatory markets, improving their image and reputation.

Since FLEGT licensing began in Indonesia in 2016, FLEGT licensed products exported to the EU have amounted to US\$3.5 billion. Subsequent to Indonesia's VPA signing in 2013, the value of Indonesia's timber exports was US\$6 billion, to 2019 when the figure has nearly doubled to US\$11.6 billion. EU exports account for 9% of this market.

Environmentally, Indonesia has seen improved forest sustainability as a result of increased understanding by smallholders, developing a greater understanding on the requirements of sustainable forest management. The VPA process is globally regarded to contribute positively towards decreasing illegal logging rates.

Continued commitment to FLEGT and sustainable forestry is crucial in the climate change battle, for biodiversity and long-term sustainable development. The only way to keep forests standing is by allowing the people who live in them to make money out of keeping trees standing. The best way to achieve this is to reward those countries who have undergone tremendous country-wide changes, by specifying, buying and driving the demand for FLEGT licensed timber.

Source: <https://www.timberbiz.com.au/indonesia-decides-on-svlk-conditions-for-timber-exports/>