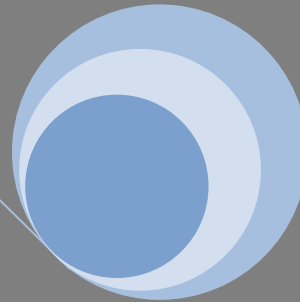
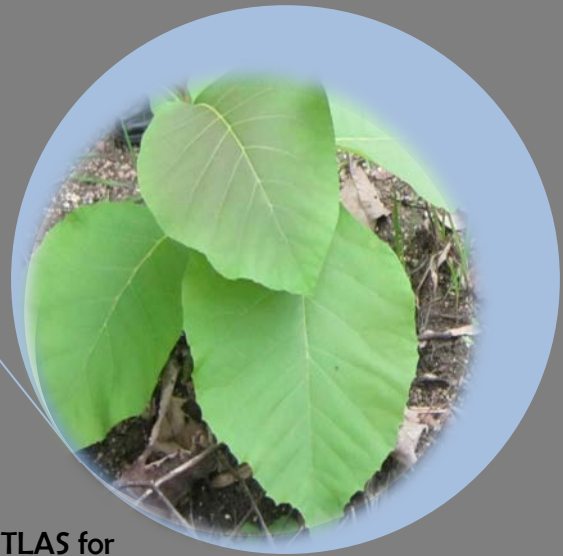


# Activity Report

Independent Institution for Monitoring Implementation of TLAS for  
Timber Resource from Community Forests and Community  
Plantation Forests Assessed and Proposed

Activity 2.1 Assess the existing institution eligible for monitoring the  
implementation of TLAS

Activity 2.2 Review the role and operation the institutions



By :  
Stepi Hakim  
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ITTO TFL PD 010/09 Rev. 1 (M)

“Strengthening The Capacity of Related Stakeholders in Java on Implementing  
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“ Strengthening the Capacity of Related Stakeholders in Java on Implementing New Indonesian TLAS”

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**Front Cover :**

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## Foreword

TLAS Implementation will involve KAN (National Accreditation Committee) as an accredited institution, LP & VI (independent certification and verification bodies) as a certified institution, IM as independent observers, IUPHHK or IUI as the management unit, and the Ministry of Forestry as the government and system builders.

According to Article 14 (Paragraphs 1, 2 and 3) of P.38/Menhut/II/2009, stating that the civil society or non-governmental organizations (NGOs) are eligible to become independent monitor (IM) in the assessment process of TLAS. If a society or NGOs in objection to the certification assessment, the appeal must be submitted to an independent certification and verification bodies (LP & VI) within 20 days. If the objection cannot be resolved then the NGOs or the public can file a claim with the National Accreditation Committee (KAN).

Independent monitoring should be able to provide assurance to all interested parties that the system is working as planned and is able to maintain its credibility. Such an institution has not been established, because an independent monitoring agency should be an institution which is an independent, non-political, and have the skills necessary to guarantee the independence and objectivity.

Civil society organizations in the forestry sector can independently monitor and verify the legality of the issuance of a certificate of legality. However, guidelines / protocols for monitoring the TLAS implementation by civil society organizations have not been formulated. Therefore, through the ITTO project TFL PD 010/09 Rev. 1 (M), tried to trace and identify civil society groups and NGOs engaged in forestry and community forestry are they worthy of being an objective independent monitoring agency.

Identifying activity of community groups is carried out for 2 months by Mr. Stepi Hakim as the consultant, to determine the roles and responsibilities of civil society / NGOs as the Independent Monitoring agency for the TLAS implementation. Discussions and meetings have already been held with civil society in three different provinces. Issues related to eligibility for independent monitoring has been discussed with the agencies and community organizations. There are about 24 organizations including farmers' associations participated in the meeting.

Hopefully the following reports can give us a perspective about the readiness of Independent Monitoring agencies to participate as observers in the TLAS implementation in the field.

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FOREWORD

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## List of Abbreviations

|             |  |
|-------------|--|
| DAS         | : Daerah Aliran Sungai / <i>Watershed Area</i>   |
| Ditjen BUK  | : Direktorat Jenderal Bina Usaha Kehutanan / <i>DG of Forest Utilization</i>                           |
| Dephut      | : Departemen Kehutanan/Kementerian Kehutanan / <i>Ministry of Forestry</i>                             |
| FSC         | : <i>Forest Stewardship Council</i>  |
| FLEGT – VPA | : <i>Forest Law Enforcement Governance and Trade – Voluntary Partnership Agreement</i>                 |
| HA          | : Hutan Adat / <i>Convention Forest</i>  |
| HCVF        | : Nilai Tinggi Konservasi Hutan/ <i>High Conservation Value Forest</i>                                 |
| HD          | : Hutan Desa / <i>Village Forest</i>   |
| HKm         | : Hutan Kemasyarakatan / <i>Community Forestry</i>   |
| HT          | : Hutan Tanaman / <i>Plantation Forest</i>   |
| HTR         | : Hutan Tanaman Rakyat / <i>Community Plantation Forest</i>  |
| IM          | : <i>Independent Monitoring</i>  |
| IUI         | : Ijin Usaha Industri / <i>Industrial Licence</i>  |
| IUPHHK      | : Ijin Usaha Pemanfaatan Hasil Hutan Kayu / <i>Timber Forest Products Utilization Licence</i>          |
| KAN         | : Komite Akreditasi Nasional / <i>National Accreditation Committee</i>                                 |
| LEI         | : Lembaga Ekolabel Indonesia / <i>The Indonesian Eco-labeling Institute</i>                            |
| LSM /NGO    | : Lembaga Swadaya Masyarakat / <i>non government organization</i>                                      |
| LP          | : Lembaga Pemantau / <i>Monitoring Agency</i>  |
| LV-LK       | : Lembaga Verifikasi Legalitas Kayu / <i>Timber Legality Verification Agency</i>                       |
| MFP         | : <i>Multistakeholder Forest Program</i>   |
| OMS         | : Organisasi Masyarakat Sipil / <i>Civil Society Organization</i>                                      |
| PHL         | : Pengelolaan Hutan Lestari / <i>Sustainable Forest Management</i>                                     |
| PHBML       | : Pengelolaan Hutan Berbasis Masyarakat Lestari / <i>Community-based Sustainable Forest Management</i> |
| SVLK        | : Sistem Verifikasi Legalitas Kayu   |
| TLAS        | : <i>Timber Legality Assurance System</i>  |
| VI          | : Verifikasi Independen  |

## List of Annexes

Annex 1. Several Profil of NGos

Annex 2. Directorate General Regulations No. P.02/VI-BPPHH/2010 (Annex 4 and 5)

Annex 3. Minutes of Meeting in Semarang – 12 November 2010

# Chapter 1. Introduction

## 1.1 Background

Ministry of Forestry released P.38/Menhut-II/2009 regarding sustainable forest management certification (PHL) and timber legality verification certification (LK) for timber products. It is followed up by the Decree of Director General Management of Forest Production on Criteria and Guidelines for PHL and LK certification (P.6/VI-Sec/2009) in 2009 and technical guidelines for implementation of PHL and LK certification (P.02/VI-BPPHH/2010) in 2010.

Those above regulations are basic foundation for the implementation of Indonesian Timber Legality Assurance System (TLAS or TLVS) in the fields. As a new national program which directly influencing the share of Indonesian timber products in international market, the TLAS/TLVS need serious preparation before implemented.

The Indonesian TLVS have specific Standard and unique character that is not as easy to be understood by general public who are not familiar with forest operations. It has been acknowledged that the stakeholders (government institutions, private sector actors such as forest companies and verification agencies; and civil societies) involved in the implementation of TLVS shall have adequate human and other resources and necessary technical skills to fulfill their responsibilities. For the enabling condition, the TLVS and its standard should be introduced to the wide scope of stakeholders through dissemination process. If the dissemination is not prepared carefully, it will be in-effective, wasting money and cannot achieve the target.

Implementation of TLAS/TLVS would involve KAN (National Accreditation Commission) as an accredited agency, LP&VI (independent certification and verification body) as a certified agency, IM as an independent monitoring, IUPHHK or IUI as unit management, and MoF as the government and the developer's system.

According to Article 14 (point 1, 2 and 3) of P.38/Menhut/II/2009, it states that civil society or non-government organizations (NGOs) are entitled to be an independent monitor (IM) in the process of TLAS/TLVS assessment. If the society or NGOs object with the result of the certification assessment, the claim objection has to be submitted to the independent certification and verification body (LP&VI) within 20 days. If the objection cannot be settled then the NGOs or the society could bring the claim to the National Accreditation Commission (KAN).





Independent monitoring to provide assurance to all interested parties that the system is working as planned and maintain its credibility, is needed. This institution is not established yet since the independent monitoring body should be an independent third-party, non-political body, possessing the necessary skills and systems to ensure its independence and objectivity, which monitors implementation of the new Indonesian TLAS/TLVS by (i) checking all its aspects using best auditing practice; (ii) identifying non-compliances and system failures; and (iii) reporting its findings to the government.

Civil society organizations in the forest sector can independently monitor the verification of legality and issuance of legality certificates. However, the guidelines/protocols to monitor the TLAS/TLVS implementation by civil society organizations is not formulated yet.

Why we need independent monitoring? Independent monitoring is an important component of effective verification. It can:

- provide checks to governments and their publics on the veracity of claims;
- give feedback to managers on improving performance;
- strengthen the legitimacy of verification systems; and
- increase credibility of the timber products in the market

Based on that, the independent monitoring is critically needed in verification systems. However, up to now there is no existing institutions or organizations yet to monitor TLAS/TLVS implementation in the fields. In fact, there are several NGOs in Java Island that in particular have roles in empowering communities to obtain their forests to be certified.



However, their roles (NGOs in empowering) might slightly be different in monitoring TLAS. It is necessary then to define role and responsibility of civil society/NGOs in monitoring TLAS/TLVS implementation, including its guidelines, its mechanisms and the procedures. Public consultations and group discussions are required to define criteria and indicators for the institutions or organizations to be eligible as independent monitoring on SVLK.

This report, on the other hand, is aimed to define roles and responsibilities of civil society/NGOs as Independent Monitors for TLAS/TLVS. Discussions and meetings were conducted with civil societies in three different provinces. Issues related to eligibility for independent monitoring were discussed. There were about 24 organizations including farmer association participated into the meetings.

## 1.2 Objectives

Objectives of these activities are as follows:

1. To assess the existing relevant institutions that is eligible to monitor the implementation of TLAS.

2. To review the role and operation of the proposed eligible institution as an independent body.
3. To carry out discussion with relevant parties as a partner of MoF in doing similar activities.
4. To carry out meetings/stakeholders group discussions in three provinces attended by relevant stakeholders to share information concerning independent monitoring institutions/agency.
5. To analyze the candidates' profile including its institutions, source of finance, activities etc, (track record of doing independent monitoring).
6. To provide advice how to improve the monitoring system to be independently.

### **1.3 Expected Outputs**

1. Eligible independent monitoring institutions from community groups in three provinces (West, Central, and East Java) analyzed and proposed.
2. Role and operation of the proposed eligible institution as an independent body reviewed and defined.



## Chapter 3. Result

Three formal workshops were carried out in three different locations. Semarang's meeting was done on 16 November 2010. Surabaya's meeting was carried out on 24 November 2010, whereas the workshop in West Java was done in Bandung on 1st December 2010. Personal communication and discussions with NGOs and observers were done through phone, email, and direct meetings. Additional two meetings were conducted in Bogor (21 December) and Semarang (23 Semarang) for development of code of conduct for independent monitoring. There were several NGOs participating to the workshop. The first round meeting in three different places, total NGOs participated to the meetings was 20 NGOs and two farmer groups. The additional meetings for the second round in Bogor and Semarang were totally attended by 24 NGOs and 1 donor (MFP2/DfiD).

| First Round Meeting   | NGOs | Farmer Group | Auditor | Donor | Government |
|-----------------------|------|--------------|---------|-------|------------|
| 16.11.2010 – Semarang | 7    | 1            | -       | -     | 2          |
| 24.11.2010 – Surabaya | 8    | 1            | 1       | -     | 2          |
| 01.12.2010 – Bandung  | 5    | -            | 1       | -     | 2          |
| <b>Total</b>          | 20   | 2            | 2       |       | 6          |
| Second Round Meeting  |      |              |         |       |            |
| 21.12.2010 – Bogor    | 7    | -            | -       | 1     | -          |
| 23.12.2010 – Semarang | 17   | -            | -       | -     | -          |
| <b>Total</b>          | 24   | -            | -       | 1     | -          |

The minutes of meetings for the first round meeting are available on Annexes.

### 3.1 Profile NGOs

#### Central Java & Yogyakarta

Based on NGOs that participated to the workshop, most of those NGOs are dealing with community empowerment in Java Forests. Some of them are contributing to the facilitation for farmers to achieve certification of sustainable forest management.

**PERSEPSI**, for example, is a local NGO established in 1993 that already facilitated 16 farmer groups in Java. 10 out of 16 the groups has achieved SFM certification for private forest. Persepsi has facilitated and empowered communities to ensure the original timbers from sustainable resources. Capacity building and raising awareness are also provided by Persepsi. In order to certify community forests, Persepsi uses LEI and FSC standard.

Another NGO is called ARuPA. This NGO was established on 16 May 1998 in Yogyakarta. The NGO's experience is to promote decentralized forest resources to local communities. Facilitation provided by ARuPA to community is to improve negotiation's skills of community in bargaining position of the community with the State Company (**Perum Perhutani**), to empower community's organizations, and to develop community forest policies. ARuPA together with Shorea and PKHR UGM has facilitated Cooperative Wana Manunggal Lestari to obtain PHBML Certificate (Community Based Forest Management). The certificate was given in 2006. AruPA facilitated communities (*Paguyuban Kelompok Tani Sekar Pijer*) in Girisekar Village for such certificate (401.87 ha)<sup>1</sup>.

Shorea foundation, on the other hand, is actively empowering communities in order to ensure the forests managed in sustainable way. Private forest known as *Hutan Rakyat* in *Gunungkindul*, is facilitated by Shorea to obtain a certified forest. The forested area in Dengok Village covers 229.10 ha managed by a Farmer Forest Group of Ngudi Lestari in which this group is facilitated and empowered by the Shorea foundation. In 2006, this forest obtained a LEI's PHBML certificate (under Cooperative of Wana Manunggal Lestari). The farmer forest group of Ngudi Lestari is a member of the Cooperative of Wana Manunggal Lestari. The foundation also facilitate communities to develop community based plantation (HTR), village forest (HD), community forest (HkM), City Forest (HK), and Customary Forest (HA).

In order to disseminate lessons learned from NGO's activities to broader communities in Java, a network of NGOs called as JAVLEC (Java Learning Center) was built in 2005. JAVLEC concerns with the development of any community based forestry initiatives in Java. Initially JAVLEG was developed by Paramitra Foundation – Malang (East Java); LeSEHAN – Madiun (East Java); SUPHEL – Surakarta (Central Java); Shorea Foundation – Yogyakarta; ARUPA – Yogyakarta; YBL Masta – Magelang (Central Java); and PKKL Asketik – Banten. Up to now the network has 24 members. The network is also supported by 18 NGOs and 18 individual persons. JAVLEC has three divisions: INFOJAWA, CEF (Community Empowerment Facilities), and PdF (Program Development Facilities). Through these three divisions, JAVLEC tries to give services to stakeholders on forestry information, financial support to the community, market access, and program development.

PKHR<sup>2</sup> UGM (Center for Community Forestry Studies) is a part of technical unit under Forestry Department, Gadjah Mada University. The unit is mainly to carry out research and community development in community forest. The unit has produced a community forestry journal, books on community forestry, and module for community forestry trainings. Since November 2008 PKHR together with Shorea and ARuPA has started to facilitate communities in order to expand certification of the forests in Kedungkeris, Girisekar and Dengok village. Forest farmers from those villages then established a



<sup>1</sup> <http://fwi.or.id/?p=64>

<sup>2</sup> <http://pkhr.ugm.ac.id/>

cooperative called **Wana Manunggal Lestari**. In 2006 the Cooperative obtained LEI's PHBML certificate for 815.18 ha of forests.

STANBALONG<sup>3</sup> stands for *Serikat Tani Hutan Banyumas Pekalongan* (a forest farmer union of Banyumas Pekalongan). The union was built in order to promote farmers' rights on forest resources in Java. The union has developed a demonstration plot for farmers on how to build the plantation forest. Capacity building through training for beginner entrepreneur livestock and farmer schools (*SEKAR*) are facilitated by the Union.

Another foundation that is actively to improve farmer's skills in managing their forest resources is Damar Foundation<sup>4</sup>. The foundation's mission is to improve the quality of natural resource management in Indonesia through several programs or activities: research, policy advocacy, community empowerment, knowledge and information dissemination and publication.

| NGOs/Services                       | Facilitation for Forest Certification | Community Development | Capacity Building | Raising Awareness & Campaign | Conflict Resolution Mechanism |
|-------------------------------------|---------------------------------------|-----------------------|-------------------|------------------------------|-------------------------------|
| ARuPA                               | √                                     | √                     | √                 | √                            | √                             |
| Shorea                              | √                                     | √                     | √                 | √                            | √                             |
| Persepsi                            | √                                     | √                     | √                 | √                            | -                             |
| Suphel                              | √                                     | √                     | √                 | √                            | √                             |
| Damar                               | -                                     | √                     | √                 | √                            | -                             |
| PKHR UGM                            | √                                     | √                     | √                 | √                            | -                             |
| PPHJ Jateng                         | -                                     | √                     | √                 | √                            | √                             |
| Bioma                               | -                                     | √                     | √                 | √                            | √                             |
| Paguyuban Petani HkM "Bukit Seribu" | -                                     | -                     | √                 | -                            | √                             |
| JAVLEG                              | -                                     | √                     | √                 | √                            | √                             |
| Stan Balong                         | -                                     | √                     | √                 | √                            | √                             |

### East Java

East Java Unlike NGOs in Central Java, most of roles of NGOs in East Java are to empower rural communities surround and living the forests through community development, capacity building, raising awareness/campaign, and conflict resolution. There is a few of NGOs in East Java that are facilitating communities in forest certification. As a result, some NGOs in Central Java and Yogyakarta are expanding their activities in East Java such as *Persepsi*. The organization has field sites in Pacitan, Magetan, Tulungagung, Trenggalek, Kediri, Jombang, Lumajang, Probolinggo, Situbondo, Pamekasan, and Bangkalan.

<sup>3</sup> <http://stanbalong.blogspot.com/>

<sup>4</sup> [www.damar.or.id](http://www.damar.or.id)

Other organizations such as YBKM, LP3M Algeins, HISPAM, PWP Pacitan, and LPKP Malang, are mostly focusing in community development, capacity building, raising awareness, and conflict resolution mechanism. Some those NGOs are empowering communities living surround State Forest (*Perhutani*) such as Paramitra Foundation. The foundation has facilitated communities in achieving 37.5 ha of land for forest right utilization. The organization builds and empowers local community institutions in order to improve bargain positions and negotiation skills of communities with *Perhutani*.

| NGOs/Services     | Facilitation for Forest Certification | Community Development | Capacity Building | Raising Awareness & Campaign | Conflict Resolution Mechanism |
|-------------------|---------------------------------------|-----------------------|-------------------|------------------------------|-------------------------------|
| YBKM              | -                                     | √                     | √                 | √                            | √                             |
| LP3M Algeins      | -                                     | √                     | √                 | √                            | √                             |
| Paramitra         | -                                     | √                     | √                 | √                            | √                             |
| HISPAM            | -                                     | √                     | √                 | √                            | √                             |
| PWP Pacitan       | -                                     | √                     | √                 | √                            | √                             |
| LPKP Malang       | -                                     | √                     | √                 | √                            | √                             |
| Persepsi Jatim    | √                                     | √                     | √                 | √                            | -                             |
| Kel. Tani Lestari | -                                     | √                     | √                 | √                            | √                             |
| PESAT             | -                                     | √                     | √                 | √                            | √                             |

#### West Java

In West Java, there are many NGOs dealing with forest certification such as LEI (The Indonesian Eco-labeling Institute), *Telapak*, WWF Indonesia, Tropenbos Indonesia, and LATIN (*Lembaga Alam Tropika Indonesia*). However, locus activities of those NGOs are not only in West Java, but also cover National level.

| NGOs/Services          | Facilitation for Forest Certification | Community Development | Capacity Building | Raising Awareness & Campaign | Conflict Resolution Mechanism |
|------------------------|---------------------------------------|-----------------------|-------------------|------------------------------|-------------------------------|
| LEI                    | √                                     | √                     | √                 | √                            | √                             |
| Tropenbos Indonesia    | √                                     | -                     | √                 | √                            | √                             |
| Telapak                | √                                     | √                     | √                 | √                            | √                             |
| JPIK                   | √                                     | -                     | √                 | √                            | √                             |
| GRES Garut             | -                                     | √                     | √                 | √                            | -                             |
| Akar Kuningan          | -                                     | √                     | √                 | -                            |                               |
| KANOPI Kuningan        | -                                     | √                     | √                 | -                            | -                             |
| KpSHK                  | -                                     | √                     | √                 | √                            | -                             |
| LATIN                  | √                                     | √                     | √                 | √                            | √                             |
| Forest Watch Indonesia | -                                     | -                     | √                 | √                            | √                             |



LEI is well known as a constituent based organization that develops firstly a voluntary forest certification standard in Indonesia. The voluntary standard is not only for natural forest, but also for forest plantation and private forest. LEI develops also its Chain of Custody standard. Up to September 2010, 1.1 million ha of natural forests has been certified by LEI standard, whereas 704 205 ha of plantation forests and 25 000 ha of community forests have been certified respectively.

Another organization that is part of its program dealing with certification in Indonesia is Tropenbos Indonesia. The Tropenbos Indonesia (TBI Indonesia) is a Dutch NGO that is operating in Indonesia. The specific objective of the TBI Indonesia programme is to supply the Government of Indonesia with sound and adequate information for



formulating and implementing appropriate knowledge-based policies and improving the management of protected areas for the benefit of people, conservation and sustainable development. The TBI Indonesia is actively promoting HCVF (High Conservation Values of Forests) in Indonesia. The HCVF is a Forest Stewardship Council (FSC) forest management designation used to describe those forests who meet criteria defined by the FSC Principles

and Criteria of Forest Stewardship. The organization has published Guidelines for the Identification of High Conservation Values in Indonesia (HCV Toolkit Indonesia). The HCV Toolkit Indonesia is meant to serve as a standard protocol for conducting HCV assessments that guarantee high quality, transparency and integrity. This is done by explaining the required steps of an HCV assessment; defining rights and responsibilities of parties involved; and providing guidelines concerning minimum standards of data collection to produce high-quality outputs in an efficient manner. The toolkit has been written in a broadly applicable way to enable its use in various sectors, including conventional wood businesses, oil palm or pulp plantations, mining and land-use planning.

Telapak<sup>5</sup> is an organization that works on monitoring and advocacy forest management, specially illegal logging and forest destruction; developing alternative fish catching method to avoid destructive fishing; promoting the management practices of natural resources done by local community on DAS (River Basin Area) and its Non Timber Forest Product; monitoring the effectiveness and local society involvement on forestry project that funded by grant in Indonesia, and monitoring the involvement of Indonesia civil society on international initiative against illegal logging and timber illegal trade.

With the support of Telapak and its network, JPIK was established in September 2010 in Bogor. JPIK stands for *Jaringan Pemantau Independen Kehutanan* (Network of Independent Monitoring on Forestry). The Network claims that it has 29 members in its network. One of the objectives of the network is to monitor forestry activities mainly process of forest certification in Indonesia.

<sup>5</sup> <http://telapak.blogspot.com/1997/09/about-us.html>



Another NGO that is actively in southern West Java is GReS (Institute for Social and Environmental Justice). GReS's programs are to promote education and training for civil societies in forest communities, to conduct research and studies, to encourage alternative schools, and to strengthen capacity of civil society organizations particularly in raising awareness and campaign.

LATIN (*Lembaga Alam Tropika Indonesia*) is another NGO that deals with community forestry issues and trainings. It was established in 1989 in Bogor. The organization has provided several trainings for organizations or individuals. Thematic trainings provided by the organization are as follows: participatory land planning, community empowerment, GIS, stakeholder analysis, conflict management, participatory mapping, participatory forest rehabilitation, participatory monitoring and evaluation, and action research. LATIN supports the development of CBFM (community based forest management). KANOPI Kuningan that develops a model of CBFM in Kuningan is one of LATIN's partners.

KpSHK<sup>6</sup> stands for Consortium of Supporting Private Forest. It is a network organization established in 1997 as the initiative of some non-government organizations, Indigenous community organization, researchers and individuals who concern natural resource utilization issues, primarily the forests in Indonesia. Since its establishment, KpSHK plays a key role as a dynamic movement organization to support development of forests managed by indigenous peoples and local communities.

KANOPI is another NGO that is based in Kuningan West Java. KANOPI is mainly focusing empowerment of forest community in Kuningan. Two villages (Cileuya and Sukasari) were chosen as the model for Community Based Forest Management (CBFM). These villages were facilitated by KANOPI. In 2006, KANOPI obtained a CBFM award from Ministry of Forestry. Up to now, the organization has facilitated 10 villages<sup>7</sup> in the district. In 2007 and 2010, the Provincial Government of West Java gave an environmental trophy to the KANOPI as the community group that concerns with the environmental conditions in West Java.

Forest Watch Indonesia<sup>8</sup> (FWI) is an independent network to monitor forest management in Indonesia. FWI has set up several supporting programs, such as: a) building the technical capacity of its constituents, b) organization building, and c) use of FWI's outputs to improve forest management and policies. Up to now, FWI has provided several national databases for forest information such as forest industry database, forest concessionaire database, and interactive Indonesia's forest cover change map.

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<sup>6</sup> <http://en.kpshk.org>

<sup>7</sup> <http://www.latin.or.id/grs/kanopi-site-kuningan>

<sup>8</sup> <http://fwi.or.id/english/>

## Chapter 4. Discussions

In this section, the process of consultation with the NGOs is explored and discussed. Any issues and topics related to the development of independent monitoring for Indonesian TLAS in Java Island are discussed with the NGOs. This section also will outline issues related to the eligibility of the organizations to become as independent monitoring for TLAS for each province in Java Island. Roles and responsibilities of those NGOs are presented as well.

### 4.1 Issues related to eligibility of Independent Monitoring

The Independent Monitoring for TLAS is not supposed to be selected or set up by the Government. It can be established by the Non Government Organizations (NGOs) or Civil Society Organizations (CSOs). Some NGOs and CSOs might develop a network and declare as independent monitoring for forestry.

Based on Ministerial Decree No: P.38/Menhut-II/2009 and P.02/VI-BPPHH/2010, the definition of independent monitoring is as follows:

- **Non Governmental Organizations (NGOs) or civil society** in forestry sector can serve as independent monitor.
- It may include **forestry observer, NGO** with an Indonesian corporate body, **the community** living inside or around the area where license holders or owners of right forest are located/operating, and **other Indonesian citizens** who concerned about forestry sector.
- an independent monitor should have **no direct or indirect relationship** to or with LP&VI and license holders

How and who would define the eligibility of the organizations to become as an independent monitoring? This question was arisen during the consultations. In general, the NGOs or CSOs could declare as an independent monitoring for the SVLK. However, would the recognition of those NGOs or CSOs be acknowledged? Without any acknowledgement particularly from authority, it is frequently that the cases reported by the NGOs would not be followed up by the relevant authorities.



During the discussions and consultations, most of NGOs and CSOs including farmer groups agreed that the eligibility has to be defined by the NGOs or CSOs and should be through a consensus or agreement.

The criteria and indicator for the eligibility have to be developed. Governments are welcome to provide inputs regarding to the eligibility but the decision made has to be under the consensus of those NGOs and CSOs. In other words, intervention from the Government is not preferred and prohibited.

In order to ensure the organizations or citizens as independent monitor, registration is required. However, to whom it has to be registered is another issue. Herewith below

some issues related to eligibility such as registration, scope of monitoring, networking would be presented.

#### 4.1.1 Registration and Networking

The definition of registration was debated during the course. The NGOs claims that their organizations as independent monitor are not necessary to be registered to the Government. It would weaken the role of NGOs in monitoring SVLK in the fields. On the other hand, Government would face difficult to identify which NGO that would perform monitoring in the fields. In addition, if there is a conflict between the NGO and the LP&VI, it would be difficult also to the Government to define whether that NGO is a registered organization as an Independent Monitoring for SVLK or not.

There was suggestion that the NGOs would develop their own registration, including code of conduct for the organization to be as independent monitoring. In order to avoid intervention from the Government, the registration system for independent monitoring would be developed and arranged by the NGOs and CSOs. The NGOs based in Central Java and Yogyakarta would develop a



networking NGO for independent monitoring for the region of Central Java and Yogyakarta Region. As soon as the NGO has been registered, the network would request to the Government to acknowledge the members of the network to be as independent monitoring in forestry sector. In

other words, the NGOs would not register to the Government, but in fact the Government is requested to acknowledge the NGOs.

Based on discussions with NGOs/CSOs in three different places, it is agreed that the independent monitoring has to be in form of a network organization. This would help coordination of the organization efficient in monitoring the process of certification across the country.

Based on the meeting done in Semarang on 23rd December 2010, the participants agreed to establish a network for independent monitors. Members for the network would cover three provinces (Central and East Java, and Yogyakarta). The members might be included to NGOs from West Java. Recruitment procedures to become as a member of the network were discussed during the consultations in Bogor (21 December 2010) and Semarang (23 December 2010).

Who is eligible to be a member of the network for independent monitor?  
According to P.38/2009 and P.02/2010, the independent monitoring could be as follows:

- Non Government Organization
- Civil Society includes forestry observer, community living surround the forest operated, and Indonesian citizens who concerned about forestry sector.

There was an argument that individual person should not be as an independent monitor because it would be difficult to ensure the neutrality of the person regarding to the objection complained by her/him.

However, majority participants disagreed with the exemption of individual person as independent monitoring. Everyone has a right to monitor the implementation of SVLK. The more people watch the SVLK the more credibility of the system seen by the Market. Thus, it is agreed that individual observer or an observer could be as an independent monitor for SVLK.

Participants also questioned with NGOs that are not dealing with forestry sector to be as independent monitor. It was agreed that such NGOs would not be able to be as independent monitor. However, if the NGOs found any irregular activities in the SVLK then they could report their findings to other NGOs that are dealing with forestry sector.

Academic background from forestry is not a basic requirement to become as the independent monitor. Most of NGO in East Java claimed that their field staffs who could be potential independent monitor mostly are having agriculture instead of forestry background. It is agreed that NGOs that are dealing with forestry and environmental issues are eligible to become a member of the independent monitoring network.

There was questioned about *Paguyubuan* (a group of people with the same interest, but it does not have any legal status as an organization) whether it is eligible to become a member of the network or not. The participants agreed that *Paguyubuan* is eligible to be part of the network to monitor SVLK. However, in order to ensure the neutrality of the group, the NGOs would set up criteria and indicator for eligibility of organizations to become a member of the network for monitoring SVLK in Java.

Based on discussions in Semarang (23rd December 2010), individual person or NGO/CSO as an applicant for independent monitoring could register as a member of the network if the minimum requirements are fulfilled. The requirements to become a member are as follows: a) individual person, community group, and non-government organization could be a member of the network, but they have to be recommended by at least 2 institutions, and agreed minimum by 50% + 1 of members of the network; b) clear status of the applicant whether as individual person or as



representation from the organization; and c) if the applicant is from the organization, then a letter from the organization is required.

#### 4.1.2 Scope of Monitoring

Based on P.38/2009 and P.02/2010, scope of monitoring for independent monitor is only to monitor the process of forest certification and verification. The involvement of the independent monitoring in the process of certification starts from public announcement done by LP&VI regarding the beginning of assessment until the issuance of certification. The independent monitoring is also to monitor the performance of the forest companies or industries after they receive the certificate. If irregular activity is found, then the independent monitor could report to the LP&VI for proposing special audit. The credibility of the certificate then would be challenged.

On the other hand, the certification system is not only about the process to get the certificate, but it is also on development of its standard including the process of complaint procedures. Although accreditation process is not a part of certification process, the accreditation for LP&VI has to be monitored in order to ensure credibility and transparency of the accreditation process done by KAN. In this case, Independent monitor should be part of it.

Accessibility of the information obtained by the independent monitoring was discussed within the NGOs/CSOs. According to ARuPA, it was difficult to obtain precise data of the forest concession in East Kalimantan during the SVLK assessment. When the local NGO, PADI Foundation was asking the public summary of the result of SVLK assessment to the appointed LP&VI, the auditing company was not able to provide it.

Data provided by the LP&VI is supposed to be accessible for independent monitor as well such as licensing holder, map of forest concession, etc. Thus, the monitor would be able to justify such data for validation and consistency of the data provided. Validation could be done through observation, interview, and investigation. Recordings, photos, and statements could be used as supporting data for validation. NGOs and CSOs in East Java agreed also that the organizations that have activities in the field sites would be appropriate to be the independent monitor in that site. Experiences and expertise of those organizations would help the process of the verification more credible, transparent, and representative.

Since existing regulations (P.38/2009, P.06/2009, and P.02/2010) are not yet supporting the independent monitoring to look at the accreditation process, NGOs and CSOs agreed that those regulations have to be revised. The scope monitoring for independent monitor should cover not only the process of certification but also the process of accreditation including complaint procedures. NGOs and CSOs also proposed that when the process of certification is carried out, at the same time the monitoring is taken place.

#### 4.1.3 Financing the Independent Monitoring

During the consultations, it is debatable on how to finance the activities of the independent monitor. Since the independent monitoring is a part of the TLAS, the monitoring activities are suggested to be funded by the developer of the TLAS which is the Government. On the other hand, if the funding is from the Government, intervention from the Government regarding the result of certification process might happen. If there is disagreement with the monitoring result, then the independent monitor might conflict with the Government (see Box 1 below).

The case of Cambodia, foreign donors alarmed about corruption in the forestry business, the government of Cambodia then hired Global Witness in 1999 as an independent monitor. However, within the monitoring period, the Global Witness provided evidence of commercial logging in Cambodia's vanishing forests despite a moratorium on the cutting of trees. The Global Witness have documented violations by companies that are often linked to top Cambodian officials and operate in view of forestry officers, an effort that has landed the group in a high-stakes standoff with the Phnom Penh government<sup>9</sup>.

As a result, the World Bank was threatening to suspend its entire US\$20mil (RM76mil) aid programme for Cambodia unless the government takes dramatic steps to protect the forests, including the development of plans to regulate logging and a continuing role for Monitoring's group.

#### Box 1. Global Witness as Independent monitor in Cambodia<sup>10</sup>

IFM in Cambodia (1999-2003)

Global Witness was appointed the official independent monitor of Cambodia's forestry sector in 1999 and played this role until 2003. The Forest Crimes Monitoring Unit was established following the 1999 Consultative Group meeting to develop the Cambodian government's capacity to detect and suppress illegal logging, and to provide the international community with an independent oversight of this process, through the appointment of Global Witness as an Independent Monitor. The FCMU consisted of three components:

1. An office in the Department of Forestry and Wildlife (DFW), known as the Forest Crime Monitoring Office (FCMO) that monitored forest crimes in production forests
2. An office in the Ministry of Environment, known as the Department of Inspection (DI) that monitored forest crimes in protected areas.
3. An independent monitor. Global Witness' role during the implementation of the project was to independently monitor the performance of the above agencies.

In theory, the two government offices operated parallel information tracking systems. Their provincial and district offices were expected to feed information, on a monthly basis, into the monitoring units. This information was to have been inputted into a computerised case tracking system, resulting in a series of 'open' cases which the Cambodian government was committed to take action on.

However, during the whole implementation of the project, there were major problems related to the lack of cooperation shown by the FCMO to the Independent Monitor and the DI, together with the failure by DFW to report any illegal activities by the concession companies. The vast majority of cases against concessionaires were reported by Global Witness and again the follow-up by DFW was disappointing; in all but one of the cases they failed to take appropriate action against the company involved.

In April 2003, the Cambodian government terminated Global Witness' role as the official Independent Monitor, breaching the World Bank conditions for further disbursement of the Bank's Structural Adjustment Credit to Cambodia. Global Witness continues to work on the country and is still committed to ensure that Cambodia's forests are managed for the benefit of all, not just a powerful few.

<sup>9</sup> [http://www.ecologyasia.com/news-archives/2003/mar-03/thestar\\_20030318\\_2.htm](http://www.ecologyasia.com/news-archives/2003/mar-03/thestar_20030318_2.htm)

<sup>10</sup> <http://www.globalwitness.org/campaigns/environment/cambodia/ifm-cambodia>

Based on Cambodia's experience, financial support from the Government for the independent monitoring in Indonesia might be as an option in which the organization would be hired by the Government. The organization could be appointed through selection or bidding.

In terms of financial sources, there are two options for financing the independent monitoring arisen during the consultations as follows:

a. Government

The Government would support the monitoring activities during the process of certification. The funding might be sourced from Ministry's Annual Budget (APBN). Up to now, the first certification process for several forest concession companies and timber factories are funded by the Government (Ministry of Forestry). However, for the renewal certification for those companies and factories would be self-funded. In this case, it is suggested that the budget for the independent monitoring would be part of the budget for certification process. In other words, when the Government delivers the budget for certification process, the budget would not only cover for LP&VI's assessments, but also include for the independent monitor's activities. However, procedures on how to disburse the budget to the independent monitoring whether through bidding or direct appointed are not yet discussed.



b. Self-funded & international donors

In order to avoid intervention either from Government or private sector, independent monitor could use their own budget for its activities such as monitoring, investigating, and field visiting. Based on P.38/2009, budget for TLAS could be from external sources such as donors. It means that international donor communities could support TLAS through providing financial supports to the independent monitor in Indonesia. Up to know, MFP-2 as a DfiD's forestry program in Indonesia has facilitated several NGOs to become as Independent monitoring, whereas this ITTO project has supported NGOs in Java Island for private forests and community based state plantation. Capacity building on how to monitor TLAS is given by those donors to the NGOs.

The EU funding (roughly 500,000 EUR) through FLEGT VPA Preparation by supporting participation of national civil society organization would be potential project to support independent monitoring of TLAS in Indonesia.

4.1.4 Role of NGOs (Empowering versus Monitoring)

It is well known that most of NGOs in Java, particularly in Central Java, East Java and Yogyakarta are dealing with community empowerment, particularly with forest farmers. Several NGOs such as ARuPA, Persepsi, PKHR UGM, and Shorea Foundation are supporting community in obtaining their forests to be certified.

On the other hand, in order to become as an independent monitor for SVLK the organization has to be no direct or indirect relationship to or with LP&VI and license holders. In this context, the NGOs that are empowering community in getting forest certification are not supposed to be as independent monitors. This issue was debated within participants during the meetings.

Majority of the participants are reluctant to separate their roles between as a facilitator for community empowerment and as a monitor for SVLK assessment. They argued that the number of NGOs in dealing with forest certification is very limited in Central Java and Yogyakarta. As a result, the NGOs that would deal with monitoring SVLK would be none.

Based on the discussions, it was agreed that up to now there is no separation of the NGOs' roles. The NGO is not allowed to carry out monitoring SVLK at the village in which the NGO is conducting community empowerment. However, an individual person from that NGO could provide a complaint to the LP&VI (auditor) if he/she thinks that the process of certification is not credible.

The NGOs and CSOs in the meeting on 23rd December 2010 also suggested that Annex 4 point E.1.c regarding definition of independent monitor (*"Institution (including institution personnel) or individual being an independent monitor should have no direct or indirect relationship to or with LP&VI and license holders"*) has to be deleted. This is because anyone who concerns with forestry issues has a right to participate as independent monitor. In other words, everyone can be as independent monitor as long as the minimum requirement as the monitor is fulfilled.



## Chapter 5. Conclusion

After consultations with 24 NGOs in three different places (Central Java, East Java, and West Java), all NGOs are interested to become as independent monitoring for TLAS in Java Island. This can be seen the high level of participation of those NGOs for every meetings conducted. The first round meeting was attended by 20 NGOs. The number increased to 24 NGOs attending to the second round meeting.

Most of NGOs and CSOs invited in Central Java and Yogyakarta are familiar with facilitation of forest certification for community, whereas NGOs and CSOs in East Java are familiar with community's advocacy and empowerment. Unlike those NGOs in East Java and Central Java/Jogyakarta, the working areas of the NGOs based in West Java cover not only in West Java, but also other places (outer island of Java/national level). Some of them are expertise in development of forest certification system such as **LEI** or **Telapak** for forest monitoring and investigation. Some of the NGOs are expertise in facilitation of community forest certification in Central Java/Jogyakarta such as **Persepsi, Shorea, PKHR UGM, and ARuPA.**

Eligibility of the organization to become as independent monitoring was discussed during the consultation, but it was not further explored. NGOs and CSOs believed that everyone who concerns with forestry issues can be as independent monitor. However, in order to be effective, transparent, and credible, the code of conduct for independent monitoring has to be established and agreed by the involved NGOs. Some issues such as registration, networking, financial support, and scope of monitoring were discussed. In order to improve the TLAS monitoring, NGOs suggested that the scope of monitoring is not only during the process of certification taken place, but also during the process of accreditation and the process of complaint delivered.

NGOs and CSOs agreed that the form of organization for independent monitor in Java Island for private forest and community based plantation is a networking organization. This network has a minimum requirement for every single person or organization to apply for as an independent monitor. One of the requirements is that the applicant has to be nominated by its organization (if the applicant is an organization) and has to be endorsed by the existing members of the network (50% + 1 of members of the network). This administrative procedure is required in order to avoid any fake organization that claims as an independent monitor during the process of certification.

## Annex 1. Several Profile of NGOs

|           |   |
|-----------|---|
| <b>1.</b> | <b>AR u PA</b><br>Alamat ARUPA :<br>Jl. Magelang km.5 Dsn. Karanganyar RT.10 RW.29 No.200 A Sinduadi Mlati<br>Sleman Yogyakarta DIY 55284<br>Indonesia<br><br>E-mail: <a href="mailto:arupa@arupa.or.id">arupa@arupa.or.id</a><br>Telephone: 0274 551571<br>Fax: 0274 551571<br>Sumber : <a href="http://www.arupa.or.id">www.arupa.or.id</a> |
|-----------|---|

An NGO established May 16<sup>th</sup>, 1998 based in Yogyakarta that striving to improve national forestry, resource management paradigms, and policies by promotes government and the other parties to reform its uniform-centralized tenurial system into more local specific and participatory policies.

AR u PA's vision is the sustainable, fair, and democratic natural resources management. The mission is to save and sustain natural resources management based on communities' sovereignty. ARuPA also promoting conflict resolution mechanism between villagers and state owned Forest Company, while strengthening the negotiating abilities of local people, empowering local community organization, and developing community-based forest policies.

The board of institution and executive board are appointed in an extraordinary meeting, which is the highest forum in ARuPA. The meeting is held once in two years.

ARuPA has three site programs, which are: Wonosobo and Blora District in Central Java Province and Gunungkidul District in Yogyakarta Province. Arupa develops assistance to community forest management to achieve sustainable forest management and conflict resolution to support forest farmers involving various parties such as local government, local assembly, local NGOs, academicians and farmers groups. In the middle of 2006, community forest in Gunung Kidul was rewarded ecolabel certificate for sustainable community based forest management from TuV International Indonesia under The Indonesian Ecolabelling Institute (LEI) certification standard. This certificate becomes recognition for the capability of community in managing community forest sustainably.

In the implementation of its working program, ARuPA is involved and actively plays a role in some working network at national level, which are:

- Forest Watch Indonesia (FWI)  
Forest Watch Indonesia represents a forest monitoring network committed to materialize the sustainable forest management for the purpose of developing data and forestry information transparency in Indonesia . Since its foundation, FWI Jawa node in 2001, ARuPA acts as host and its personnel acts as coordinator of the node.
- Konsorsium pendukung Sistem Hutan Kerakyatan (KpSHK)/ Consortium for supporting community based forest management

KpSHK represents a working network to strengthen the position of community in managing the forest resources. ARuPA becomes an active member of KpSHK since 2001 and actively plays a role in the promoting the community based forest management in both people forest and in state owned forest.

- Java Learning Center (JAVLEC)

It makes use of the solid ex Java working group network, and JAVLEC is founded. JAVLEC is formal name of ex Java working group network. It consists of the organizations committed to the save guarding Java forest. The idea continuation of the community is the supporting schema for the empowerment of people organisation through the scheme of learning network (JSC = *Java Study Centre* ), the information network (INFO JAVA= *Information on Forestry in Java* ), and the middle grand scheme (CEF=Community Empowerment Facilities).

- Asia Forest Network (AFN)

ARuPA represents an active network partner of AFN (Asia Forest Network) in Indonesia . ARuPA and AFN have collaborated in the development and the implementation, documentation and publication of the CBFM initiative in Wonosobo district. ARuPA has been actively involved in the AFN regional meetings. These meetings are considered as the AFN partners forum as a media to exchange information and experiences on community forest management practices.

## 2. Java Learning Center (JAVLEC)

Jl. Kaliurang Km 6,5 Gg. Timor Timur  
Plemburan RT 05 / RW 25 No. 41 Sariharjo, Ngaglik, Sleman  
Phone : +62 274 7100 722  
Fax : +62 274 327 2001  
Email : javlec@javlec.org

**Java Learning Center (JAVLEC)** is initiated by KPPHJ (*Komunitas Pendukung Penyelamatan Hutan Jawa* - supporting group for saving Java's forest), a network of non government organizations (NGO) which concern on supporting CBFM development in Java. They are: Paramitra Foundation – Malang (East Java); LeSEHAN – Madiun (East Java); SUPHEL – Surakarta (Central Java); Shorea Foundation – Yogyakarta; ARUPA – Yogyakarta; YBL Masta – Magelang (Central Java); and PKKL Asketik – Banten.

In collaboration with other stakeholders, these NGOs have worked actively in achieving their **vision and mission since 1999. Some activities which had been run, between 1999 and 2008, are:**

1. As KPH Jawa (Kelompok Pemerhati Hutan Jawa – Java's forest observer group)—initiating meeting between forest villagers and other stakeholders in Malang (East Java) in 2000;
2. Working together with State Forest Corporation (Perum Perhutani) in facilitating workshop to initiate Joint Forest Management at PUSDIKLAT (Pusat Pendidikan dan Latihan – center of training and learning) Perhutani Madiun (East Java) on February 2000;

3. Initiating Forum Hutan Jawa (Java Forestry Forum): communication forum among non government organization (NGO), local government, forest villagers, State Forest Corporation (Perum Perhutani) in order to improve Community Based Forest Management (CBFM)
4. Initiating Pokja Jawa (Kelompok Kerja Jawa – Java’s task force) in FKMM (Forum Komunikasi Kehutanan Masyarakat – communication forum on community forestry): its task is for saving Java’s forest (2000 – 2002);
5. Working together with MFP – DFID (Multi-stakeholders Forestry Program – Department for International Development), Pokja Jawa (Kelompok Kerja Jawa – Java’s task force) facilitated meeting among Local Parliaments in Java and Madura (February 2001) in order to improve their awareness about condition of Java’s forest;
6. Facilitating “Multi-stakeholder Dialogue: The Chance of Community Forestry in Sustainability Forest Management in Java” (February 2002) in cooperation with State Forest Corporation (Perhutani). Participants which came from 10 districts in Java were State Forest Corporation (Perhutani), forest villagers, Local Government, and NGOs.
7. Facilitating shared learning among forest peasants (September – October 2002) which was held in Sukabumi (West Java), Wonosobo (Central Java), Gunungkidul (Yogyakarta), and Malang (East Java). Starting 2004, other forestry stakeholders joined to this event. Shared learning among forest peasants and stakeholders was performed in four packs till 2006. In 2007, one pack was held with only forest peasants involved in. JAVLEC and forest peasants design sekolah rakyat (school of community) to continue this shared learning.
8. September 19 to 22, 2006 JAVLEC and Forestry Faculty of Gadjah Mada University held PRHM (*Pekan Raya Hutan dan Masyarakat* – community forestry festival and summit) in Grha Sabha Pramana – Yogyakarta. This event was funded by Ford Foundation and MFP DFID (Multi stakeholders Forestry Program – Department for International Development) and supported by NGOs, community organizations, education institutions, private sectors, and Government. It demonstrated all variants of CBFM (community based forest management) in Indonesia such as PHBM (*Pengelolaan Hutan Bersama Masyarakat* – CBFM variant in Perhutani), HKm (*Hutan Kemasyarakatan* – CBFM variant in district government forest), community based conservation forest management (PKKBM – *Pengelolaan Kawasan Konservasi Berbasis Masyarakat*), village forest (*Hutan Desa*), rural forest (*Hutan Adat*), private forest (*hutan rakyat* – CBFM variant in private land), and other initiatives. Many kinds forum were performed such as workshop, seminar, information expo, non timber forest product expo, parade of environment film, traditional art, popular art, shadow puppet, etc.
9. At December 15, 2007, vice president Jusuf Kalla gave 61 groups in Yogyakarta, Lampung, and West Nusa Tenggara definitive rights to manage forest through *Hutan Kemasyarakatan* (HKm) scheme. JAVLEC and its network encouraged this scheme actively, especially HKm progress in Yogyakarta. These 61 community groups are now equal with Perhutani and other forest company in outer Java that hold right on forest management. It’s a great opportunity and challenge for communities to show that community forestry can be a solution for forest management problems in Indonesia.

JAVLEC is opened membership organization and now has 24 members. JAVLEC is also supported by 18 persons (as *individu penopang* – supporting persons) and 18 organizations (as *lembaga penopang* – supporting organization). Legally, JAVLEC was founded at June 23<sup>rd</sup> 2005 by notarial act Suastutiningsih A Wijayanto, SH Number 05/June 23<sup>rd</sup>/2005. JAVLEC has three divisions: INFOJAWA, CEF (Community Empowerment Facilities), and PdF (Program Development Facilities). Through these three divisions, JAVLEC tries to give services to

stakeholders on forestry information, financial support to the community, market access, and program development.

### **Vision**

To be a community foundation which takes strategic part in developing democracy and civil society due to reach community prosperity through program development facilities, knowledge improvement, economic empowerment, and policy development.

### **Mission**

1. To support human resource development through capacity building of civil organization due to develop good natural resources governance;
2. To facilitate policy development for democratic and equitable natural resources management which is based on responsibility and objective scientific researches;
3. To support access right for community on natural resources management in order to develop fair benefit distribution for increasing community prosperity;
4. To facilitate knowledge improvement for learning and public awareness through knowledge management, system of information management, information networking and dissemination, campaign, and promotion;
5. To support community businesses development through network improvement, partnership, and business inter-mediation for increasing access of market and finance which is simple, fair, transparent, and accountable; and
6. To mobilize resources through network improvement, partnership, and business development in order to support sustainable services to civil organization.

### **Strategy**

Due to achieve its vision and missions, JAVLEC develops programs and provides some facilitation for stakeholders:

1. Capacity building, assistance, course, shared learning, information dissemination, scientific publication, and alternative education;
2. Continues research on policy and strategic issues;
3. Knowledge management for providing alternative and constructive ideas;
4. Networking activities;
5. Economic empowerment through facilitation access of finance, market, technology and information, business capacity building, and business inter-mediation.

From 2007 to 2011, JAVLEC has six clusters of program: (1) Good forestry governance, (2) Acceleration on environment development for supporting livelihood, (3) Securing access right for community, (4) Poverty alleviation, (5) Increasing community based forestry business, (6) Improving access on information and communication.

**3. GReS (Institute for Social and Environmental Justice)**

Jl. Patriot No. 32 Kelurahan Sukagalih Kecamatan Tarogong Kidul kabupaten Garut  
44151 West Java - INDONESIA.

Phone: 0262 543482, email: gres\_garut@yahoo.com,

Website <http://gresgarut.webs.com>

GReS Established on April 21, 2000 in Garut regency, West Java. GReS stood on the basis of individual awareness of social conditions, economy and culture in the Garut district is still underdeveloped, it is caused by the access of civil society in the Garut district of the management of natural resources and the environment is still low. Whereas Garut district has the potential of natural resources and environment that is very abundant.

So far, access to natural resources management and environment have been handed over to a handful of people that often led to conflict and vulnerable to human rights violations.

**Vision**

Realize socio-economic conditions and culture of civil society more just, prosperous participation in managing natural resources and environment and sustainable and equitable gender.

**Mission**

1. Open space in rural democratization through education for civil society in rural
2. Opening the participation of civil society in rural areas to engage in the development process.
3. Doing strengthening civil society organizations in rural
4. Conducting advocacy related to the issue of human rights violations and the Environment.
5. Campaign issues relating to human rights violations, Environment, Food, Agrarian and Education.
6. Cooperation Network opens local, national and international.

**Program**

1. Conducting education and training for civil society in rural and forest communities.
2. Conducting studies and research on social conditions and economic rural communities in the area of forest and mining areas.
3. Do escort policy, especially in policy making at the district level about with natural resources management, mining and the environment.
4. Encouraging alternative school that was built by a group of civil society organizations in the region south of Garut.
5. Strengthening civil society organizations is growing awareness and encourage people to organize.
6. Creating media and publicity campaigns such as the web site, newsletters, booklets,

position papers, posters, stickers etc..

### **Organization forms**

These organizations form associations, to stand by Irdawati Notary Bachtiar, SH No. 73 in Garut Regency West Java - INDONESIA

### **Management Structure:**

|                                |                               |
|--------------------------------|-------------------------------|
| Chief Executive of             | : Dadan Kurnia Wirahadikusuma |
| Financial staff                | : Yaya                        |
| Staff Administration           | : Ai Rosmawati                |
| Field Campaign and the Network | : Husen Suhendar              |
| Field Advocacy                 | : Agus Rahmat                 |
| Education and Training         | : Mulyana                     |
| Research and Development       | : Tika Kursita                |

### **Cooperation Network**

The Samdhana Institute - INDONESIA  
INDIES (Institute for Social and Democratic Studies) - INDONESIA  
WALHI (Indonesian Forum for the Environment)  
JATAM (Mining Advocacy Network)  
JAVLEC (Java Learning Center)  
JAVA collapse  
LBH Bandung

**4. Telapak**  
**Jl. Pajajaran No. 54**  
**Bogor 16143, Jawa Barat, Indonesia**  
**Phone : +62 251 8393 245**  
**Fax : +62 251 8393 246**  
**Email : info@telapak.org**

Telapak is an association of NGO activists, business practitioners, academics, media affiliates and leaders of indigenous peoples, fishers, and farmers of Indonesia towards sustainability, sovereignty, and integrity.

Telapak's Movement is an organization's official document which established as a source of inspiration and activities framework for members of Telapak Community.

The legal basis of the organization is LETTER OF DECISION from MEETING MEMBERS OF TELAPAK No.06/KPTS/RAP-Telapak/II/2008 About Telapak's Movement which established in Meeting of Association Members at Wakumoro Village, Muna Regency, Southeast Sulawesi Province 17<sup>th</sup> February 2008. The content as include in an organization's official document of Telapak's Movement, basically is a manifestation from core clauses of Articles of Association and Bylaws, specifically rules about signs of vision achievements, which is:

1. The state guarantee people rights for social services and nature of ecology.
2. The state acknowledge and guarantee existence of local communities as an autonomous social unity to control and manage itself and natural resource in their area.
3. State policy about people's life made with political process which participatory-democratic.
4. Decentralized and transparent government enforcement.
5. Use, manage, and control local economic resources that based on nature source for inhabitants sustainable livelihood.
6. Every economic activities in local community regional which involve investment from others have to get permission and through meeting process with local communities (free and prior-informed consent). Local communities are still in charge and control key of business.
7. Price of natural resources commodity have to be higher from production cost (social and ecological externalities), which largest margins of profit will be received by communities as producer.
8. For continuity of consumption, consumer will responsible and ensure the preservation production resources that based on commodity that produced from sustainable management of natural resources.
9. Local communities able to produce and reproduce knowledges in control and manage the local ecosystem.
10. Law and legal pluralism that guarantee and acknowledge the local laws in management of natural resources.

With the existence of Telapak's Movements as a source of inspiration and activities framework to all of Telapak's member, so in order to actualize that vision, there are several association tools, which is:

1. Groups and civilians alliances
2. Cooperation
3. Business entity
4. Mass media, and;
5. Political and state institution

All campaign activities by Telapak intend to actualize good governing management and to ensure implementation of policies that support sustainable and fair management of nature resources. Telapak do the policy advocacy in campaign process based on fact that collected from investigative research on field. The target of advocacy is the policy makers and other parties that can influence the policy makers in every level, from local, national, and international.

All approach that Telapak use in doing policy advocacy is:

- Workshop with several parties.  
Telapak actively doing workshop and roundtable meetings with interested parties in issue of natural resources management, especially civilians and indigenous people. The results from workshop are aspirations and recommendations from civilians, then continued with lobbying to regulators. Telapak believes that informations transparency and civilians involvement in process of policy making is important to actualize good governing management.



- **Political lobbying**  
Telapak also actively doing political lobby to strategic parties that have authorities in policy-making and regulator also others party that can influence the process of policy making. Political lobbying is done in every level, from regional, national, and international.
- **Legal drafting**  
To ensure the aspirations from civilians adopted in policy that government made, Telapak also involve in policy making and also public consultation in making policy.
- **Take part in several strategic forums in nature resources sectors and also participate in national and international forums which are related to several issue that we working on.**

Several example of Telapak involvement in policy advocacy are:

- Framing of Ministerial Regulation No. 38/2009 on the Standards and Guidelines for Performance Assessment of Forest Management and Sustainable Production of Timber Legality Verification
- Framing Bylaws no. 27/2007 on The Management of Coastal Zones and Small Islands
- Member of Negotiation Team on Treaty Indonesia-EU Cooperation in the handling of illegal logging and illegal timber trade
- Member of National Forestry Board
- Member of National Water Resource Board
- Member of Working Group on Monitoring and Evaluation of Implementation in Legality Verification System

## 5. **Lembaga Ekolabel Indonesia (LEI)**

Jl. Taman Bogor Baru B IV/12 Bogor Indonesia

Telp: +62 251 8 340 744 Fax: +62 251 8 325 872 | E-mail: [lei@lei.or.id](mailto:lei@lei.or.id)

The Indonesian Ecolabelling Institute (LEI-Lembaga Ekolabel Indonesia) is a non-profit constituent based organization that develops forest certification systems that promote our mission of just and sustainable forest resource management in Indonesia. As a constituent based organization LEI retains independence and transparency, both necessary for the credibility of forest certification.

### **Vision:**

To become an organization striving for just and sustainable natural resource management.

### **Mission:**

1. To develop forest certification schemes and monitoring systems for natural resource management.
2. To promote and support just and sustainable natural resource management in Indonesia.
3. To support multi-stakeholder natural resource management models that include participation of indigenous communities.

LEI's certification includes schemes for:

1. Natural forest certification
2. Plantation forest certification
3. Community forest certification
4. Chain of Custody (COC), a log tracking system for industries that process forest products such furniture, plywood, sawn wood and pulp and paper.

LEI has 4 (four) chambers that represents Indonesian forest stakeholders that support LEI in using certification as a tool in achieving sustainable forest management:

1. Business Chamber.
2. Traditional community and forest farmer Chamber
3. NGOs Chamber.
4. Eminent Person Chamber.

There are five basic stages in the certification process, designed to separate data collection from decision making, while involving stakeholders.

- **Step 1: Contact certification bodies – and choose the certifier you will work with**
- **Step 2: Field pre-assessment.**  
involving document evaluation, field scoping, and expert panel recommendations over whether to continue the audit.
- **Step 3: Field assessment and public input.**  
The certification body carries out a field audit and facilitates the community input process for the expert panel.
- **Step 4: Performance Evaluation and certification decision making**  
The management unit is evaluated by the expert panel based on all collected documentation.
- **Step 5: Certification decision**  
The expert panel finalizes the certification decision which is then announced publicly by the certification body. A surveillance schedule is put in place.  
Any objection to the certification process or decision will be facilitated by LEI accredited certifiers and the Certification Review Council

## Annex 3. Minutes of Meeting in Semarang, 12 November 2010

### Minutes of Meeting 12 November 2010

Venue: Hotel Gracia Semarang

#### Participants:

1. Naryo, Head Division of Forest Management , Provincial Forestry Service of Central Java
2. Jansen T., Ministry of Forestry
3. Heru Jatmiko, Provincial Forestry Service of Central Java
4. Yudi Nugroho, Damar Foundation
5. Exwan, Shorea Foundation
6. Pudhji R. , Farmer Network HkM
7. Edi Jampres, ARuPA
8. Priastuti, A forest farmer
8. Panji Arum, Farmer Association of Private Forest (Telapak)
9. Imam Suyono, Ministry of Forestry
10. Berdy, Suphel Foundation
11. Teguh, Persepsi
12. Lasmini, Project Coordinator ITTO
13. Stepi Hakim, Consultant ITTO

#### Background

Ministry of Forestry just released P.38/Menhut-II/2009 regarding sustainable forest management certification (PHL) and timber legality verification certification (LK) for timber products. It is followed up by the Decree of Director General Management of Forest Production on Criteria and Guidelines for PHL and LK certification (P.6/VI-Sec /2009) in 2009 and technical guidelines for implementation of PHL and LK certification (P.02/VI-BPPHH/2010) in 2010. Those above regulations are basic foundation for the implementation of Indonesian Timber Legality Assurance System (TLAS) in the fields.

According to Article 14 (point 1, 2 and 3) of P.38/Menhut/II/2009, it states that civil society or non-government organizations (NGOs) are entitled to be an independent monitor in the process of TLAS assessment. If the society or NGOs object with the result of the certification assessment, the claim objection has to be submitted to the independent certification and verification body (LP&VI) within 20 days. If the objection cannot be settled then the NGOs or the society could bring the claim to the National Accreditation Commission (KAN).

Up to now there is no existing institutions or organizations yet to monitor TLAS implementation in the fields. In fact, there are several NGOs in Java Island that in particular have roles in empowering communities to obtain their forests to be certified. However, their roles (NGOs in empowering) might slightly be different in monitoring TLAS. It is necessary then to define role and responsibility of civil society/NGOs in monitoring TLAS implementation, including its guidelines, its mechanisms and the procedures. Public consultations and group discussions are required to define criteria and indicators for the institutions or organizations to be eligible as independent monitoring on SVLK.

According to P.02/VI-BPPHH/2010, the definition of independent monitoring is as follows:

- **Non Governmental Organizations (NGOs) or civil society** in forestry sector can serve as independent monitor.

- It may include **forestry observer, NGO** with an Indonesian corporate body, **the community** living inside or around the area where license holders or owners of right forest are located/operating, and **other Indonesian citizens** who concerned about forestry sector.
- an independent monitor should have **no direct** or **indirect relationship** to or with LP&VI and license holders

### **Independent Monitoring Activities**

During the assessment, the scope of monitoring activities is as follows:

- verification of LK (for the past 1 year) and PHPL Performance Assessment (for the past 3 years)
- a close look at the process and result of LP&VI assessment, decision-making process and decision on LP&VI in issuing PHPL/LK certificate
- develop their own monitoring methods
- can access any required public information/document and can submit an application for obtaining other required information/documents in writing to holder of the information
- monitor the developments in handling of report on objections both from LP&VI and NAC (National Accreditation Council)

### **Reporting**

The independent monitoring would produce a report with the specific requirements as follows:

- a report containing objections to the process and/or result of LP&VI assessment on license holder
- Material for objections is the result of monitoring activity for the past 1 (one) year for verification of LK or for the past 3 (three) years for PHPL Performance Assessment
- submitted to LP&VI no later than in 20 (twenty) calendar days since the announcement of the assessment result
- can be submitted to NAC if LP&VI could not resolve the objections
- new findings can be reported as new monitoring result (after 20 calendar days the issuance of the certificate) to MoF and LP&VI

### **Existing Challenges**

- no existing institutions or organizations yet to monitor TLAS implementation **in the fields**
- Just recently 23-09-2010, there is a network called as JIPK (Independent Forestry Monitoring Network) consisting 29 NGOs that would perform monitoring public service in forestry sector.
- no complaints or objections from IM emerged regarding PHL and or LK certification assessment process and its issuance
- In fact, there are several NGOs in Java Island that in particular have roles in empowering communities to obtain their forests to be certified
- However, their roles (NGOs in empowering communities) might slightly be different in monitoring TLAS

### **Objectives**

The objectives of the meeting are as follows:

- Disseminate regulation of Directorate General of Forest Management Development, Ministry of Forestry No: P.02/VI-BPPHH/2010, particularly on Independent Monitoring (Annex 4) and Guideline on Complaint Procedure in SVLK (Annex 5).
- Formulate minimum criteria & indicator for civil society organizations to become as independent monitoring for SVLK

- Formulate mechanism on monitoring including independency of the organization and source financing system for the organization/network.

### Discussions

The meeting was started with the brief introduction of the ITTO project to the participants. The introduction was presented by Ms. Lasmini, Project Coordinator of ITTO. The institutional arrangement for SVLK was explained briefly by Mr. Jansen from Ministry of Forestry. The main presentation on independent monitoring was provided by Mr. Stepi Hakim, a consultant ITTO.

### Issues

There are several issues during the meeting that are discussed as follows:

#### 1. **Registration**

The definition of registration was debated during the course. The NGOs claims that their organizations are not necessary to be registered to the Government. It would weaken the role of NGOs in monitoring SVLK in the fields. On the other hand, Government would face difficult to identify the NGO that would perform monitoring in the fields. In addition, if there is a conflict between the NGO and the LP&VI, it would be difficult also to the Government to define whether that NGO is a capable organization as an Independent Monitoring for SVLK. There was suggestion that the NGOs would develop their own registration, including code of conduct for the organization to be as independent monitoring. In order to avoid intervention from the Government, the registration system for independent monitoring would be developed and arranged by the NGOs. The NGOs based in Central Java and Yogyakarta would develop a networking NGO for independent monitoring for the region of Central Java and Yogyakarta Region. As soon as the NGO has been registered, the network would request to the Government to acknowledge the members of the network to be as independent monitoring in forestry sector. In other words, the NGOs would not register to the Government, but in fact the Government is requested to acknowledge the NGOs. It was agreed by participants that the further requirements for the registration would be discussed in the next meetings.

#### 2. **Membership**

Who is eligible to be a member of the network for independent monitoring? According to P.38/2009 and P.02/2010, the independent monitoring could be as follows: - Non Government Organization - Civil Society includes forestry observer, community living surround the forest operated, and Indonesian citizens who concerned about forestry sector. There was an argument that individual person should not be as an independent monitor because it would be difficult to ensure the neutrality of the person regarding to the objection complained by her/him.

However, majority participants disagreed with the exemption of individual person as independent monitoring. Everyone has a right to monitor the implementation of SVLK. The more people watch the SVLK the more credibility of the system seen by the Market. Thus, it is agreed that individual observer or an observer could be as an independent monitor for SVLK. Participants also questioned with NGOs that are not dealing with forestry sector to be as independent monitor. It was agreed that such NGOs would not be able to be as independent monitor. However, if the NGOs found any irregular activities in the SVLK then they could report their findings to other NGOs that are dealing with forestry sector.

There was questioned about *Paguyubuan* (a group of people with the same interest, but it does not have any legal status as an organization) whether it is eligible to become a member of the network or not. The participants agreed

that *Paguyubuan* is eligible to be part of the network to monitor SVLK. However, in order to ensure the neutrality of the group, the NGOs would set up criteria and indicator for eligibility of organizations to become a member of the network for monitoring SVLK in Central Java and Yogyakarta.

3. ***Role of NGO (Empowering versus Monitoring)***

It is well known that most of NGOs in Central Java and Yogyakarta are dealing with community empowerment, particularly with forest farmers. Several NGOs such as ARuPA, Persepsi, KOLING, and Shorea Foundation are supporting community in obtaining their forests to be certified. On the other hand, in order to become as an independent monitor for SVLK the organization has to be no direct or indirect relationship to or with LP&VI and license holders. In this context, the NGOs that are empowering community in getting forest certification are not supposed to be as independent monitors. This issue was debated within participants during the meeting. There was suggestion that the NGO that is currently empowering its community in village A, it is not allowed to conduct a monitoring SVLK in the same village (Village A). However, this NGO is able to monitor SVLK in other villages (such as village B, C, D, etc.).

Majority of the participants are reluctant to separate their roles between as a facilitator for community empowerment and as a monitor for SVLK assessment. They argued that the number of NGOs in dealing with forest certification is very limited in Central Java and Yogyakarta. As a result, the NGOs that would deal with monitoring SVLK would be none. Based on the discussions, it was agreed that up to now there is no separation of the NGOs' roles. However, the NGO is not allowed to carry out monitoring SVLK at the village in which the NGO is conducting community empowerment.

4. ***Networking (FKD versus New Network on Independent Monitoring)***

In Central Java and Yogyakarta, there is a stakeholder forum developed by LEI called *Forum Konsultasi Daerah* (Forum of Local Consultation). The forum is aimed to gather information from wider stakeholders during the LEI certification process. The participants were considering to the FKD as the network for monitoring SVLK in Central Java and Yogyakarta. However, Jampes from ARuPA suggested that they could use the existing Network for Forest Independent Monitoring (*Jaringan Pemantau Independen Kehutanan/JPIK*) based in Bogor, West Java to be a part of their network in Central Java and Yogyakarta. JPIK is a network established in September 2010 by 29 NGOs across the country committing to monitor forestry sector in Indonesia. So, the participants agreed that they would discuss further the two options (between FKD and JPIK) in the next meeting.

5. ***Accessibility to the information*** The NGOs in Central Java and Yogyakarta are questioning to the Ministry of Forestry regarding the accessibility of the information. According to ARuPA, it was difficult to obtain precise data of the forest concession in East Kalimantan during the SVLK assessment. When the local NGO, PADI Foundation was asking the public summary of the result of SVLK assessment to the LP&VI, the auditing company was not able to provide it. The Ministry (here was represented by Mr. Jansen) said that any information obtained by the LP&VI should also be available for the Independent Monitoring.

### **Concluding Remarks**

It is agreed that there would be a next meeting to discuss as follows:

- Code of conduct of NGOs, individual observers, paguyubuan or other public groups to become as independent monitor

- Defining Training Need Assessments for NGOs in monitoring SVLK.

The next meeting would be carried out in Semarang in December 2010. The number of participants to be invited would be increased.

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| <b>Annex 4. : Director General of Forestry Production Development's Regulation</b> |  |
| Number   | : P.02//VI-BPPHH/2010  |
| Date   | : February 10, 2010  |
| On   | : Guidelines on Assessment of Sustainable Production Forest Management Performance and Verification of Timber Legality |

**GUIDELINES ON INDEPENDENT MONITORING OF  
SUSTAINABLE PRODUCTION FOREST MANAGEMENT (PHPL) PERFORMANCE  
ASSESSMENT  
AND  
VERIFICATION OF TIMBER LEGALITY (LK)**

**I. PREFACE**

**A. BACKGROUND**

Assessment of Sustainable Production Forest Management (PHPL) Performance and Verification of Timber Legality (LK) that have been stipulated by the Forestry Minister's Regulation Number P.38/Menhut-II/2009 and Director General of Forestry Production Development's Regulation Number P.6//VI-Set/2009 and NAC DPLS 13 and 14, ISO/IEC GUIDE 65, ISO 17011, and 17021 will require guidelines on the implementation. One of the required guidelines will be guidelines on monitoring of PHPL Performance Assessment and verification of LK by an independent monitor.

**B. OBJECTIVE**

This guidelines aim to guide Independent Monitor in the monitoring of assessment process and result in the PHPL Performance Assessment and verification of LK carried out by LP&VI.

**C. SCOPE**

These guidelines will serve as a reference for Independent Monitor in monitoring the process and result of PHPL Performance Assessment and verification of LK based on Forestry Minister's Regulation Number P.38/Menhut-II/2009, Director General of Forestry Production Development's Regulation Number P.6//VI-Set/2009, DPLS 13, DPLS 14, ISO/IEC Guide 65, ISO/IEC Guide 17011, and ISO/IEC Guide 17021.

**D. REFERENCES**

1. Forestry Minister's Regulation Number P.51/Menhut-II/2006 on Utilization of Certificate Of Origin (SKAU) for Timber Forest Product Transportation from Right Forests as has been amended several times, the last being with the Forestry Minister's Regulation Number P.33/Menhut-II/2007.
2. Forestry Minister's Regulation Number P.55/Menhut-II/2006 on Administration of Forest Products from State-Owned Forests as has been amended several times, the last being with the Forestry Minister's Regulation Number P.45/Menhut-II/2009.
3. Forestry Minister's Regulation Number P.16/Menhut-II/2007 jo. Number P.43/Menhut-II/2009 on Amendment to Forestry Minister's Regulation Number P.16/Menhut-II/2007 on Planned Supply of Raw Materials for Timber Forest Product Primary Industry (RPBBI).



4. Forestry Minister's Regulation Number P.35/Menhut-II/2008 jo. Number P.9/Menhut-II/2009 on Business License for Forest Product Primary Industry.
5. Forestry Minister's Regulation Number P.38/Menhut-II/2009 on Standard and Guidelines on Assessment of Sustainable Production Forest Management Performance and Verification of Timber Legality in License Holders or in Right Forests.
6. Director General of Forestry Production Development's Regulation Number P.6/VI-Set/2009 on Standard and Guidelines on Assessment of Sustainable Production Forest Management Performance and Verification of Timber Legality.
7. ISO/IEC Guide 23:1982 Methods for Indicating Conformity with Standards for Third-Party Certification Systems.
8. ISO/IEC Guide 65:1996 General Requirement for Bodies Operating Product Certification System.
9. ISO/IEC 17011:2004 Conformity Assessment - General Requirements for Accreditation Bodies Accrediting Conformity Assessment Bodies.
10. ISO/IEC 10002:2004 Quality management. Customer Satisfaction. Guidelines on Complaints Handling in Organizations. Guidelines on Complaints Handling in Organizations.
11. ISO/IEC 17021:2006 Conformity Assessment – Requirement for Bodies Providing Audit and Certification of Management Systems.
12. The List of Support for Certification Institution (DPLS) 13 Rev. 0 will be Additional Conditions and Rules for Accreditation of Assessing Institution for Sustainable Production Forest Management.
13. The List of Support for Certification Institution (DPLS) 14 Rev. 0 will be Additional Conditions and Rules for Accreditation of Institution for Timber Legality Verification.

#### E. DEFINITIONS

1. Independent Monitor:
  - a. Non Governmental Organizations (NGOs) or civil society in forestry sector can serve as independent monitor.
  - b. Independent monitor from NGOs or civil society may include forestry observer NGO with an Indonesian corporate body, the community living inside or around the area where license holders or owners of right forest are located/operating, and other Indonesian citizens who concerned about forestry sector.
  - c. Institution (including institution personnel) or individual being an independent monitor should have no direct or indirect relationship to or with LP&VI and license holders.
  - d. Independent Monitor (PI) will perform supervisory/monitoring functions related to public service in forestry sector such as issuing PHPL Certificate or LK Certificate.
2. Independent Institution for Assessment and Verification (LP&VI) is a state-owned or private-owned company with a corporate body accredited to carry out Assessment of Sustainable Production Forest Management (PHPL) Performance and/or verification of timber legality.
3. National Accreditation Committee (NAC) is an institution accrediting the Independent Institution for Assessment and Verification/ (LP&VI).

4. Timber Legality (LK) Certificate is a certificate awarded to license holders or right forest owners stating that the license holder or the right forest owner has followed the standard for timber legality (legal compliance) in obtaining timber forest products.
5. PHPL Certificate is a certificate explaining the success rate in the implementation of sustainable forest management.
6. License Holder is a holder of license for utilization of timber forest products and holder of industrial license.
7. Holder of License for timber forest product utilization shall include Holder of License for Timber Forest Product Utilization in Natural Forest abbreviated to IUPHHK-HA (formerly HPH), Holder of License for Forest Product Utilization in Timber Plantation abbreviated to IUPHHK-HT (formerly HP-HTI), Holder of License for Forest Product Utilization in Community Forest Plantation abbreviated to IUPHHK-HTR, Holder of License for Timber Forest Product Utilization in Restored Ecosystem abbreviated to IUPHHK-RE, Holder of License for Timber Forest Product Utilization in Social Forest abbreviated to IUPHHK-HKm as referred to in Government Regulation Number 6 Year 2007 jo. Government Regulation Number 3 Year 2008.
8. Holder of License for Timber Forest Product Primary Industry (IUIPHHK) is as referred to in Government Regulation Number 6 Year 2007 jo. Government Regulation Number 3 Year 2008.
9. Holder of Advanced Industry License (Advanced IUI) is a downstream timber forest product processing company, with such products as furniture.

## II. ACTIVITIES

### A. IMPLEMENTATION

1. The monitoring activity regulated in these guidelines is that related to verification of LK and PHPL Performance Assessment, namely certification and Assessment of PHPL Performance for the past 3 (three) years as well as certification and verification of LK for the past 1 (one) year carried out by LP&VI.
2. Independent Monitor will give a close look at the process and result of LP&VI assessment, decision-making process and decision on LP&VI in issuing PHPL/LK certificate.
3. Independent Monitor can use and develop their own monitoring methods that can produce a justifiable monitoring result.
4. In carrying out their activities, Independent Monitor can access any required public information/document and can submit an application for obtaining other required information/documents in writing to holder of the information.
5. Independent Monitor will also monitor the developments in handling of report on objections both from LP&VI and NAC.
6. For reasons of information source's security and safety, Independent Monitor may conceal respondent's and/or informant's identity.

### B. REPORTING

1. Report on the monitoring from Independent Monitor is a report containing objections to the process and/or result of LP&VI assessment on license holder, and accompanied by the reporter's identity and justifiable, supporting material evidence.

2. Material for objections is the result of monitoring activity for the past 1 (one) year for verification of LK or for the past 3 (three) years for PHPL Performance Assessment or in accordance with the coverage of assessment or verification carried out by LP&VI.
3. Report on the monitoring should be submitted to LP&VI no later than in 20 (twenty) calendar days since the announcement of the assessment result.
4. In the event that LP&VI cannot resolve the objections, then report on the monitoring can be submitted to NAC.
5. After 20 (twenty) calendar days since the announcement of the assessment result (certificate), then new findings can be reported as new monitoring result from Independent Monitor to the Ministry of Forestry and LP&VI.



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| <b>Annex 5. : Director General of Forestry Production Development's Regulation</b> |  |
| Number   | : P.02/VI-BPPHH/2010   |
| Date   | : February 10, 2010  |
| On   | : Guidelines on Assessment of Sustainable Production Forest Management Performance and Verification of Timber Legality |

## GUIDELINES ON SUBMISSION AND RESOLUTION OF OBJECTIONS IN THE ASSESSMENT OF SUSTAINABLE PRODUCTION FOREST MANAGEMENT (PHPL) PERFORMANCE AND VERIFICATION OF TIMBER LEGALITY (LK)

### I. PREFACE

#### A. Background

Objections are written statements of dissatisfaction made by a party submitting the objections accompanied by justifiable evidence. In the Forestry Minister's Regulation Number P.38/Menhut-II/2009, license holder and independent monitor (non governmental organizations or civil society in forestry sector) can submit their objections to the result of assessment carried out by Independent Institution for Assessment and Verification (LP&VI).

#### B. Objective

These guidelines aim to:

1. Develop a mechanism for submission and resolution of objections.
2. Accomplish the management of transparency in and accountability for the process and result of PHPL Performance Assessment and verification of timber legality (LK) carried out by LP&VI.
3. Serve as tool for controlling the worthiness of PHPL and LK Certificates issued by LP&VI for license holders or right forest owners.

#### C. Scope

PHPL Performance Assessment and LK Certificate must be in accordance with the field situation known to and experienced by the parties concerned. These guidelines contain submission and resolution of objections to the status of PHPL and LK Certificates, and serve as guidelines on submission and resolution of objections.

The scope of objection resolution process will include:

1. Objections submitted by license holder to the report on assessment result.
2. Objections submitted by independent monitoring agency to the process and result of the assessment.

#### D. References

1. Forestry Minister's Regulation number P.51/Menhut-II/2006 on Utilization of Certificate of Origin (SKAU) for Transportation of Timber Forest Products from Right Forests as has been amended several times, the last being with the Forestry Minister's Regulation Number P.33/Menhut-II/2007.

2. Forestry Minister's Regulation Number P.55/Menhut-II/2006 on Administration of Forest Products from State-Owned Forests as has been amended several times, the last being with the Forestry Minister's Regulation Number P.45/Menhut-II/2009.
3. Forestry Minister's Regulation Number P.16/Menhut-II/2007 jo. Number P.43/Menhut-II/2009 on Amendment to Forestry Minister's Regulation Number P.16/Menhut-II/2007 on Planned Supply of Raw Materials for Timber Forest Product Primary Industry (RPBBI).
4. Forestry Minister's Regulation Number P.35/Menhut-II/2008 jo. Number P.9/Menhut-II/2009 on Business License for Forest Product Primary Industry.
5. Forestry Minister's Regulation Number P.38/Menhut-II/2009 on Standard and Guidelines on Assessment of Sustainable Production Forest Management Performance and Verification of Timber Legality in License Holders or in Right Forests.
6. Director General of Forestry Production Development's Regulation Number P.6/VI-Set/2009 on Standard and Guidelines on Assessment of Sustainable Production Forest Management Performance and Verification of Timber Legality.
7. ISO/IEC Guide 23:1982 Methods for Indicating Conformity with Standards for Third-Party Certification Systems.
8. ISO/IEC Guide 65:1996 General Requirement for Bodies Operating Product Certification System.
9. ISO/IEC 17011:2004 Conformity Assessment - General Requirements for Accreditation Bodies Accrediting Conformity Assessment Bodies.
10. ISO/IEC 10002:2004 Quality management. Customer Satisfaction. Guidelines on Complaints Handling in Organizations. Guidelines on Complaints Handling in Organizations.
11. ISO/IEC 17021:2006 Conformity Assessment – Requirement for Bodies Providing Audit and Certification of Management Systems.
12. The List of Support for Certification Institution (DPLS) 13 Rev. 0 will be Additional Conditions and Rules for Accreditation of Assessing Institution for Sustainable Production Forest Management.
13. The List of Support for Certification Institution (DPLS) 14 Rev. 0 will be Additional Conditions and Rules for Accreditation of Institution for Timber Legality Verification.

#### E. Definitions

1. Independent Institution for Assessment and Verification (LP&VI) is a state-owned or private-owned company with a corporate body accredited to carry out Assessment of Sustainable Production Forest Management (PHPL) Performance and/or verification of timber legality.
2. Ad Hoc Team for Objection Resolution is a team authorized to perform document checking, hold consultation with related parties and carry out field verification of objection materials submitted by a party submitting the objections.
3. Independent monitor:



- a. NGOs or civil society in forestry sector can serve as independent monitor.
  - b. Independent monitor from NGOs or civil society may include forestry observer NGO with a corporate body, the community living inside or around the area where license holders or owners of right forest are located/operating, and other Indonesian citizens who are concerned about forestry sector.
  - c. Institution (including institution personnel) or individual being an independent monitor should have no direct or indirect relationship to or with LP&VI and license holders/management unit.
  - d. Independent Monitor (PI) will perform supervisory/monitoring functions related to public service in forestry sector such as issuing PHPL Certificate or LK Certificate.
4. National Accreditation Committee (NAC) is an institution accrediting the Independent Institution for Assessment and Verification (LP&VI).
  5. Timber Legality (LK) Certificate is a certificate granted to license holders or right forest owners stating that the license holder or the right forest owner has followed the standard for timber legality (legal compliance) in obtaining timber forest products.
  6. PHPL Certificate is a certificate explaining the success rate in the implementation of sustainable forest management.
  7. License Holder is a holder of license for utilization of timber forest products and holder of industrial license.
  8. Holder of license for timber forest product utilization shall include Holder of License for Timber Forest Product Utilization in Natural Forest abbreviated to IUPHHK-HA (formerly HPH), Holder of License for Forest Product Utilization in Timber Plantation abbreviated to IUPHHK-HT (formerly HP-HTI), Holder of License for Forest Product Utilization in Community Forest Plantation abbreviated to IUPHHK-HTR, Holder of License for Timber Forest Product Utilization in Restored Ecosystem abbreviated to IUPHHK-RE, Holder of License for Timber Forest Product Utilization in Social Forest abbreviated to IUPHHK-HKm as referred to in Government Regulation Number 6 Year 2007 jo. Government Regulation Number 3 Year 2008.
  9. Holder of License for Timber Forest Product Primary Industry (IUIPHHK) is as referred to in Government Regulation Number 6 Year 2007 jo. Government Regulation Number 3 Year 2008.
  10. Holder of Advanced Industry License (Advanced IUI) is a downstream timber forest product processing company, with such products as furniture.

## II. ACTIVITIES

### A. Submission of Objections

#### 1. Objection Materials

- a. Objections that can be followed up shall comprise any dissatisfaction expressed by certain parties accompanied by justifiable evidences related to the process of and or decision on certification stipulated by LP&VI.
- b. Objection Materials being submitted must be based on evaluation stages, namely the ways the LP&VI carries out the stages PHPL assessment and verification of LK based on the Standard and Guidelines on PHPL Assessment and Verification of LK and the existing conclusions in the assessment result.

- c. Objections can be proven and supported with new comparative data/information or document that has not been used in the assessment process.

## 2. The Party Submitting the Objections

Parties that can submit objections to the process of and or decision on certification are:

- a. License Holder, to the report on assessment result.
- b. Independent Monitor, to the process and result of the assessment (certificate)

## 3. Period for Submitting Objections

- a. Objections from license holder shall be submitted no later than in 10 calendar days after the result of LP&VI assessment is received by the license holder.
- b. Objections from independent monitor shall be submitted no later than in 20 calendar days after the announcement of the certificate issuance.
- c. In case there are new findings from independent monitor after 20 calendar days since the announcement of the certificate issuance, they can be submitted to the Ministry of Forestry and LP&VI.

## 4. Procedures for Submitting Objections

- a. Objections shall be submitted in writing to LP&VI, accompanied by supporting data.
- b. Objections being submitted must be (1) based on assessment stages and/or result of standard fulfillment (criteria and indicators) and (2) supported with new and justifiable data/information that has not been used in the assessment process.
- c. In the event that objections from independent monitoring agency cannot be resolved by LP&VI, Independent Monitoring Agency can submit the objections to NAC.

## B. Resolution of Objections

### 1. Resolution of Objections

- a. LP&VI will establish an Ad Hoc Team to resolve objections submitted by license holder and other mechanisms to resolve the objections submitted by Independent Monitoring Agency.
- b. Ad Hoc Team for Resolution of Objections
  - Ad Hoc Team for Objection Resolution is a team authorized to perform document checking, hold consultation with related parties and carry out field verification of objection materials submitted by the party submitting the objections.
  - Ad Hoc Team for Objection Resolution is established by LP&VI, on an ad hoc basis (not permanent) to help the LP&VI concerned in resolving objections.
  - Auditor and Decision Maker (LP&VI), the party submitting the objections, and license holder cannot serve as part of the Ad Hoc Team for Objection Resolution.
  - Ad Hoc Team for Objection Resolution will have an odd number of members and consist of at least 3 (three) persons. At a minimum, there should be one who understands, comprehends the issues and interests of a region where the objections are located.
  - Ad Hoc Team for Objection Resolution shall comprise 1 (one) chairperson who will concurrently serve as a member and several members.



- Ad Hoc Team for Objection Resolution shall give explanation of/response to the report on objection resolution prepared by the team.
- Members of the Ad Hoc Team for Objection Resolution must:
  - Be independent, representing the parties and experts in the sectors in accordance with objection materials, with a minimum experience of 5 (five) years.
  - Have the capability of assessing the information found in the objection materials;
  - Comprehend the Systems for PHPL Performance Assessment and Verification of LK;
  - Have the capability of mediating conflict resolution;
  - Have an interdisciplinary perspective and capable of cooperating with other members;
  - Have high integrity and hold objectivity in high esteem in the process of objection resolution;

## 2. Period for Resolving Objections

- a. Objections from License Holder shall be resolved by LP&VI in no later than 10 calendar days since the report on objections is received by LP&VI.
- b. Objections from Independent Monitoring Agency shall be resolved LP&VI in no later than 10 calendar days since the report on objections is received by LP&VI;
- c. In the event that the objections from independent monitoring agency cannot be resolved by LP&VI, Independent Monitoring Agency can submit the objections to NAC for resolution in accordance with the procedures for resolving objections existing in NAC

## 3. Procedures for Resolving Objections

- a. Resolution of objections by LP&VI will include the following stages:
  - verification of objection legitimacy and
  - verification of objection materials.
- b. The verification of objection legitimacy will include inspection of material relevance and the party submitting the objections.
- c. Objections will be declared relevant if:
  - submitted data and information are relevant and
  - submitted by relevant parties.
- d. Objections will be rejected if considered irrelevant or are not new (novum) evidence.
- e. The verification of objection materials may include consultation with related parties and field verification of objections, and mediation for related parties in objection materials being submitted.
- f. Resolution of objections by LP&VI shall be done by making and stipulating decisions on objections in writing based on the result of stage (a) verification of objection legitimacy and/or (b) verification of objection materials. The report which contains



decision on resolution of objections prepared by LP&VI shall be delivered in writing to the party submitting the objections.

- g. In the event that objections from Independent Monitoring Agency cannot be resolved by LP&VI, the Independent Monitoring Agency can submit the objections to NAC for resolution in accordance with the procedures for resolving objections existing in NAC.

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