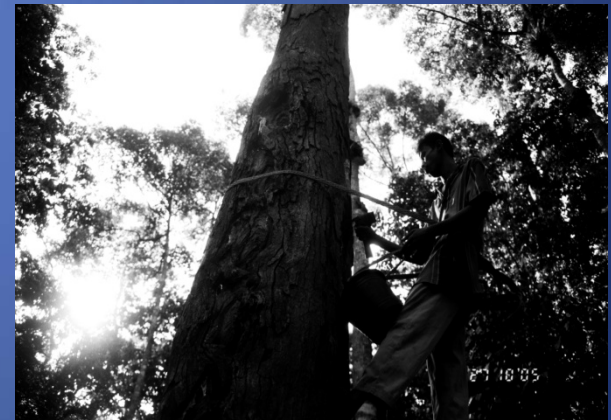


# COMMUNITY FORESTRY IN INDONESIA

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# 1. Community Forestry Policy

- **Milestones in the Evolution of Community Forestry**

In the early 1980s, the Indonesian Ministry of Forestry (MoF) introduced a social forestry program :

- ❑ Taungya system (sistem Tumpang Sari) Perum Perhutani
- ❑ Ministry of Forestry Decree No. 691 of 1991 and No. 69 of 1995, Pembinaan Masyarakat Desa Hutan or the Community Development Program (CDP)

- ❑ In 1995, the GOI introduced a policy on CF by issuing MoF Decree No. 622/Kpts-II/1995
- ❑ In 1997, the GOI issued MoF Decree No. 677/Kpts-II/1997 improving MoF Decree No. 622
- ❑ In 2001, the GOI issued MoF Decree No. 31/Kpts-II/2001 improving MoF Decree No. 677



What is the difference ?

- ❑ In 2003, the MoF declared the creation of the Social Forestry program and issuing the Minister of Forestry Regulation No.1/2004
- ❑ By the end of 2004, the MoF declared five priority policies. One priority pertinent to *enacting community forestry projects is the policy to empower the economy of communities within and surrounding the forest*
- ❑ The policy above is an implementation of Act No 41/1999 mentioning several mandates :
  - Forest concessionaires should cooperate with local community co-ops surrounding the forest (article 30);
  - The activity of forest and land rehabilitation should implement a participatory approach in order to empower communities surrounding the forest (article 42.2)
- ❑ The policy also consider to Government Regulation No. 34/2002 mandating the empowerment of communities within and surrounding forests in order to improve community institutional capacity in using the forest (Article 51)

- **The Current Status of Policy**

- In the early 2007, a revision of the Government Regulation No. 34/2002 was made by enacting the Government Regulation No. 6/2007 mandating the government to empower communities surrounding the forest through three schemes :
  - (1) Hutan Kemasyarakatan or Community Forestry
  - (2) Hutan Desa or Village Forestry
  - (3) Kemitraan or Partnership between community and concessionaires (Article 84).

## 2. Current Institutional Arrangement

- According to the Government Regulation No. 6/2007, a forest management unit (FMU) should be established within the local government to manage a certain forest area located in one or more administrative areas (districts).

□ The government roles and requirements for empowering communities (GR No.6/2007) include :

- Provision of legal status
- Institutional enhancement/ harmonizing interests of different sectors and actors
- Guidance on production schemes/benefits sharing schemes
- Guidance on technology
- Human resource development
- Information access to markets
- Provision of forest utilization licenses



- ❑ forests are allocated for community forestry through "community forest working areas " and the community is given a license for using forest resources in the working area (the license issued by Bupati or head of District)
- ❑ Traditional or indigenous mgt practices will be integrated through the participatory planning processes





# 3. Current Best Practices

- **The Case of a Teak Wood Plantation in Konawe Selatan District, South East Sulawesi Province**
  - forest production area 1,264,798 ha (degraded 283,725 ha)
  - In the 80's reforestation with a teak wood plantation 38,000 ha
  - Under Ministry of Forestry Regulation No.1/2004, 15,112 ha was assigned to be managed by the community. Total number of community members is 1,360 families located in two sub-districts, scattered amongst 46 villages.
  - How the community to manage?
    - Implementing the principles of social forestry

- ❑ **The Argo Mulyo Local Community Forest Council (LMDH-Argo Mulyo)**
  - Established with a notarized letter No. 10/2003 on 14 May 2003
  - It has 239 members (households) which includes almost all Cabean village population
  - Collaborative management with Perum Perhutani (state owned forest company) started in 2002
  - Community members participate in maintaining plantation and safe guarding the forest (cost sharing), and Perhutani allows community to practice taungya system and allocate some portion of the profit from timber production for the community (benefit sharing)
  - Benefit share given the community distributed : 80% for LMDH, 10% for village, 10% for District.
  - Benefit sharing from timber production received by the community in 2004 IDR 7,496,000 ( USD 832) and in 2005 IDR 38,900,000 (USD 4,322)

- Collaborative Forest Management program covers the production forest area of 785 ha and protected forest area of 181 ha

Year	Number of forest crime	Number of stolen trees	Volume (m3)	Value (IDR)
2002	88	559	288.225	206.064.000
2003	37	182	72.129	54.436.000
2004	23	54	25.811	19.783.000
2005	13	30	6.375	5.838.000



## 4. SOCIO ECONOMIC BENEFIT

- The working area of Perum Perhutani is in Java and dominated by teak plantation (*Tectona grandis*). The implementation of CFM has established 4,554 LMDH/villages (82 % from the 5,585 villages located surrounding the working area)
  - 1,675 LMDH/villages (83% from the 2,009 villages in Central Java)
  - 1,451 LMDH/villages (75% from the 1,961 villages in East Java)
  - 1,428 LMDH/villages (88% from the 1,615 villages in West Java)

- ❑ Up to December 2006, CFM implementation has generated financial benefit to the community surrounding forest in the form of timber production sharing of IDR 44.58 billion (approx. USD 4.9 million):
  - IDR 38.62 billion in Central Java
  - IDR 2,16 billion in East Java
  - IDR 3,80 billion in West Java



- Through CFM Perum Perhutani is supporting the dev't of small productive businesses of the community by providing soft loan called PKBL fund. Until the end of 2006, loan disbursed :
  - IDR 2,680,650,000 for 247 LMDH/villages in Central Java
  - IDR 1,753,600,000 for 235 LMDH/villages in East Java
  - IDR 1,603,950,000 for 225 LMDH/villages in West Java

- ❑ Dev't of CFM have also involved external funding from the local gov't and other institutions. Since 2003, external funding disbursed IDR 19.9 billion (IDR 2.1 billion in Central Java, IDR 4.4 billions in East Java and IDR 13.4 billion in West Java)
- ❑ Until December 2006, CFM launched in 2001 has generated income for 3.6 billion peoples amounting to IDR 433 billion