

INTERNATIONAL TROPICAL TIMBER ORGANIZATION

ITTO

PROJECT PROPOSAL

TITLE:	PROMOTING PARTNERSHIP BETWEEN FARMER GROUP AND FOREST INDUSTRY
SERIAL NUMBER:	PD 761/14 Rev.2 (I, M)
COMMITTEE:	FOREST INDUSTRY
SUBMITTED BY:	GOVERNMENT OF INDONESIA
ORIGINAL LANGUAGE:	ENGLISH

SUMMARY:

Commercial management of community forests in recent years has experienced grow rapidly, especially in Java. Community forests in Java has potency and role for supplying raw materials for timber industry. The importance of cooperation between local communities and forest utilization license holder or forest managers, business license holders of primary forest products industry, and/ or forest management unit to manage the forest is based on the principle of equality and mutual benefit that stipulated in the Ministry of Forestry Regulation number 39/Menhut-II/2013 concerning Local Community Empowerment through Forestry Partnership.

The proposed project addresses the problem on inadequate operationalization of forestry partnership program as defined by the forestry ministerial decree No. 39/2013. Unless the problem is resolved, contribution of forestry partnership program to livelihood of local communities would be insignificant and, through time, might diminish their support on the promotion of sustainable forest management.

The specific objective of the project is to initiate an adequate operationalization of the policy on forestry partnership development which will be achieved through delivery of three outputs, namely: i) forestry partnership agreements adequately developed, ii) signed forestry partnership agreements appropriately implemented, and iii) monitoring and evaluation of implemented forestry partnership strengthened

This project is expected to initiate the implementation of community forest partnership between forest industry and farmer groups. Long-term goal to be achieved is to support the contribution of the forestry sector to the economy of community development

IMPLEMENTING AGENCY: SECRETARIAT OF EXTENSION AND HUMAN RESOURCE DEVELOPMENT AGENCY (BP2SDM)

COLLABORATING AGENCY: EXTENSION IMPLEMENTATION AGENCY AND/OR DISTRICT FORESTRY IN PURWOREJO, BATANG, LUMAJANG AND TASKIMALAYA

DURATION: 24 MONTHS

BUDGET AND PROPOSED SOURCES OF FINANCING:

SOURCE	CONTRIBUTION IN US\$
ITTO	<u>508,693.00</u>
Govt. of Indonesia	<u>63,500.00</u>
TOTAL	<u>572,193.00</u>

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List of Abbreviation and Acronym

EA	Executing Agency
EHRDA	Extension and Human Resource Development Agency
FSC	Forest StewardshipLEI Council
GDP	Gross Domestic Product
ITTA	International Tropical Timber Agreement
LVL	Laminated Veneer Lumber
MOU	Memorandum of Understanding
NGO	Non-government Organizations
SFM	Sustainable Forest Management
PC	Project Coordinator
PSC	Project Steering Committee
TLAS	Timber Legality Assurance System

PROJECT BRIEF

The proposed project addresses the problem on inadequate operationalization of forestry partnership program as defined by the forestry ministerial decree No. 39/2013. Unless the problem is resolved, contribution of forestry partnership program to livelihood of local communities would be insignificant and, through time, might diminish their support on the promotion of sustainable forest management.

The specific objective of the project is to initiate an adequate operationalization of the policy on forestry partnership development which will be achieved through delivery of three outputs, namely: i) forestry partnership agreements adequately developed, ii) signed forestry partnership agreements appropriately implemented, and iii) monitoring and evaluation of implemented forestry partnership strengthened.

The primary beneficiaries of the project are local forest communities and forest industries. The partnership agreements signed by these beneficiaries are to be endorsed by forestry authorities at the local and central levels, and are legally binding.

The project will be implemented using participatory approach wherein the executing agency will be closely working with local government authorities, NGOs, national consultants, universities and other partners, as appropriate, based on competence.

The key assumptions made include: validity of ministerial decree No. 39/2013 and strong commitment of local governments to implement program on empowerment of local communities. The potential risks therefore are political and institutional in nature that could best be mitigated through strengthened coordination and communication. The amount of project budget proposed is **572,193.00 US\$** comprising **US\$ 508,693.00** ITTO's Contribution and **US\$ 63,500.00** GOI's contribution.

PART I PROJECT CONTEXT

1.1. Origin

Forestry partnership, as defined in Forestry Ministerial Decree No. 39/2013, is a means to empower local forest communities; it concerns with capacity building and provision of access rights allowing local forest communities to enjoy larger benefits from forest resources in a sustainable manner. The ultimate goal of the partnership is to have self-contained and prosperous local forest communities through engagement in forest-based activities and ventures.

Forest partnership is a collaboration between forest community groups and forest industry or forest managers and may take different forms. Community group (s) and a forest industries may agree to partner in the supply of logs, wood waste utilization, tree growing, etc.; likewise, community group (s) may cooperate with a forest manager in the production of seedlings for land rehabilitation, conduct of forest surveys, development of eco-tourism, etc. Any form of partnership, however, must be governed by a legally binding, mutually benefiting agreement that it must be formulated in a transparent and fair manner by the signing parties and endorsed by local and central government authorities responsible for forest resources management.

In practice, the forestry partnership has become a national program that has been implemented in many regions of the country, especially in Java with varying degrees of achievement. Result of the monitoring and evaluation of partnership operations in sampled districts in Java indicated that, in general, forestry partnership has not been adequately operationalized as evidenced by the large number of complaints received by the Forestry Extension and Human Resource Development Agency (BP2SDMK). This undesirable finding has prompted the agency to formulate this project proposal. Unless the policy on partnership is adequately operationalized, contribution of the program to improving livelihood of local forest communities would be insignificant which could diminish their support on sustainable forest management.

The proposed project addresses the operational problem of forestry partnership program. The partnership is confined only to supply of logs by community groups to forest industries. Log supply partnership is believed benefiting to both local communities and the forest industries for at least two reasons: i) the local communities have accumulated experience and skills on tree growing but received unfair value added of logs, and; ii) the forest industries require steady supply of logs in sufficient volume. To give the flavor on the importance of partnership between community groups and forest industries in logs supply, consider the following information:

- The extent of community forest in Java Island in 2013 was estimated at 2.7 million which is larger than the state production forest area.
- The community groups have been selling trees at stumpage due to lack of capacity to harvest and transport the logs to mills thus receiving limited value added of logs.
- The installed production capacity of primary wood industries in 2013 in Java was 8.9 million m³ requiring around 18.0 million m³ of logs per annum.
- The forest industries have been striving to secure sufficient, steady logs supply from different sources including through partnership with local communities.

1.2. Relevance

1.2.1. Conformity with ITTO's objectives and priorities

(1) Compliance with ITTA 2006

This project has the objectives and priorities are aligned with the mission of ITTA 2006 primarily to promote the expansion and diversification of trade in tropical timber from sustainably managed and legally harvested from community forest. Consumers can be ensured the legality of the source of raw material because the forestland is owned by the farmers themselves. In addition, community forest can encourage sustainable forest management and play the role in improving the welfare of society. **The promoting partnership between farmer group and forest industry is fully conform with the objectives of the International Tropical Timber Agreement (ITTA) 2006, on article 1 in specifically on paragraph:**

- a) Providing an effective framework for consultations international cooperation and policy development among all members with regard to all relevant aspects of the world timber economy;
- b) Providing a forum for consultation to promote non-discriminatory timber trade practices;
- c) Contributing to sustainable development and to poverty alleviation;

- d) Enhancing the capacity of members to implement strategies for achieving exports of tropical timber and timber products from sustainably managed sources;
- e) Promoting improved understanding of the structural conditions in international markets, including long-term trends in consumption and production, factors affecting market access, consumer preferences prices, and conditions leading to prices which reflect the costs of sustainable forest management;
- (h) Improving market intelligence and encouraging information sharing on the international timber market with a view to ensuring greater transparency and better information on markets and market trends, including the gathering, compilation, and dissemination of trade related data, including data related to species being traded;
- (i) Promoting increased and further processing of tropical timber from sustainable sources in Producer member countries, with a view to promoting their industrialization and thereby increasing their employment opportunities and export earnings;**
- (k) Improving marketing and distribution of tropical timber and timber product exports from sustainability managed and legally harvested sources and which are legally traded, including promoting consumer awareness;
- (n) Strengthening the capacity of members to improve forest law enforcement and governance, and address illegal logging and related trade in tropical timber;
- (o) Encouraging information sharing for a better understanding of voluntary mechanisms such as, inter alia, certification, to promote sustainable management of tropical forests, and assisting members with their efforts in this area.

(2) Compliance with ITTO Action Plan 2013-2018

The proposed project complies with various aspects as raised in the ITTO Action Plan 2013-2018 particularly in the commission of Forest Industry:

Strategic Priority 1: Promote good governance and enabling policy frameworks for strengthening SFM and related trade and enhancing SFM financing and investment

Expected outcome :

- Better managed forest sector with increased access to financing and investments
- Increased forest area that is managed sustainably and legally harvested
- Improvement in good governance and effectiveness of forest law enforcement

The activities that are in line with strategic priority 1 include:

- To accommodate participatory meeting in order to increase the commitment and contribution from forestry extension worker, forest farmer groups, forestry industry, local government, and central government base on their respective roles in the development of sustainable forest management.
- To accommodate meeting with stakeholders to discuss agreement and SOP intensively and sustainably.
- To accommodate formulation/drafting of agreement related forestry partnership fairly and can be implemented to develop forestry partnership.
- To improve better management of community forest management
- To encourage the certification implementation
- Encourage the implementation of policies related to legally harvested timber in supplying raw materials from farmer groups.

Strategic Priority 2: Increase the contribution of tropical forests to national and local economies including through international trade.

Expected outcome :

- Increased contribution of the forest sector to the national and/or local economies of tropical countries
- Improved livelihoods and employment of local and indigenous communities
- Improved access to international markets for small and medium sized enterprises and community enterprises
- Increase in diversity and quantity of efficiently produced value-added products from sustainably managed forests
- Increased competitiveness and market access for tropical timber

- Increased consistency and compatibility among systems to provide assurance of legality and sustainability for tropical timber

The activities that are in line with strategic priority 2 include:

- Increasing economy contribution from wood base industry such as export sawn timber, wood chip, etc.
- Strengthening entrepreneurship and cooperatives for farmer groups to promote community forestry enterprises by processing raw materials into semi-finished materials that increase the value added / income for farmer groups.
- Initiating a forestry entrepreneurial village as a pilot model for sustainable community forest management.
- Increasing income for farmer groups with activities wood and waste processing, mushroom cultivation, and producing souvenirs.
- Encouraging the development of small-scale forest enterprises through the provision of timber forest product processing machinery in order to increase value added from forest products.
- Encourage the development of forest farmer group cooperative that play a role to maintain the market of forest products healthy and competitively.
- Establish utilization of wood waste as an effort to implement the principles of zero waste.

Strategic Priority 6: Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests

Expected outcome:

- Public institutions, communities and commercial entities have adequate forest management, planning, policy and business skills needed to implement SFM and engage in international trade
- Increase in the awareness of the contribution of SFM to economies
- Local communities are informed and able to participate in SFM policy development and related activities Increase in exchange of experiences, knowledge innovations in SFM, and promotion of trade and timber processing among members
- Better collaboration between private sector and civil society

The activities that are in line with strategic priority 6 include:

- Increasing the capacity of forestry extension worker and farmer groups include aspects of community forest management, technology, entrepreneurship, cooperative, certification and sustainable forest management.
- Enhancing skill, creativity and experience of farmer group to produce wood craft
- Better collaboration between private sector and civil society by implementing forestry partnership
- Encourage the ability to build a network of community forest partnerships

1.2.2. Relevance to the Indonesia's policies

The formulation of this proposal has been conformed with the National policy and regulation in Indonesia which are related to encourage empowerment of community and forestry partnership are:

1. Ministry of Forestry Regulation Number P.51/Menhut-II/2010 On Ministry's Strategic Plan 2010-2014; conjunction with Minister of Forestry Regulation No. P.15/Menhut-II/2013 and Ministry of Forestry Regulation Number P. 6/Menhut-II/2011 on Determination of Key Performance Indicators. Ministry of Forestry Strategic Plan 2010-2014 stated that one of Key Performance Indicators (KPI) of the Forestry Extension and Human Resource Development Agency (BP2SDMK) is the formation of 50 partnerships in order to increase participation the main actors and entrepreneurs in community empowerment.
2. Ministry of Forestry Regulation Number P.29/Menhut-II/2013 on Mentoring Activity Guidelines for Forestry Development. Implementation of forestry extension is one key to successful implementation of any activities of community-based forestry development including the development of community forests.
3. Ministry of Forestry Regulation Number P.39/Menhut-II/2013 on Empowerment Through Local Community Forestry Partnership. Partnership is one step to develop the private forest/community forest to empower and align the bargaining position of farmers' groups with a forest industry. In 2013, this rule is organized as a guide in the technical implementation activities through the Local Empowerment Partnership Forestry.

1.3. Target Area

1.3.1. Geographic Location

The project activities of partnership will be conducted for farmer group, forestry extension and industry which is located in West, Central Java and East Java and also Jogjakarta. There will be total 4 (four) districts to represent four provinces. Focus on Graha Mandiri Sentausa Cooperative in Batang District and Wana Lestari FMU and Wana Tani in Lumajang Districts that have signed partnership agreement. Two other locations namely Gunung Kidul and Tasikmalaya district will be chosen as the communities doesn't have the partnership agreement yet, so they will be observed to prepare the partnership model. Specifically, the area of community forest in these districts is depicted in the following table:

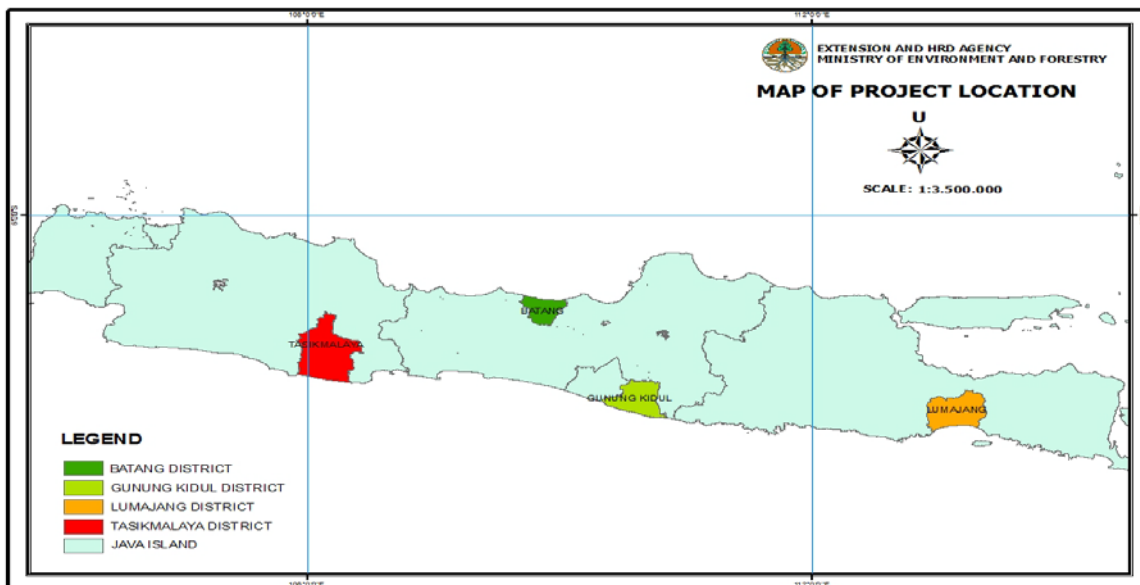
Year	Community Forest Area (ha)			
	Gunung Kidul	Batang District	Lumajang District	Tasik Malaya district
2009	122.261,371	6.621,75	53.589	146.032,968
2010	122.242,805	7.240	56.436	141.578,562
2011	122.242,805	17.138,80	56.717	145.346,905

Sources: Forestry Office District in West Java, Central Java, East Java and Jogjakarta (2009-2011)

The profil of farmer groups as location of project as below:

Information	Gunung kidul District	Batang District	Lumajang District		Tasikmalaya district
<u>Name Farmer Group</u>	<u>Alkantara</u>	<u>Graha Mandiri Sentausa Cooperative</u>	<u>Wana Lestari FMU</u>	<u>Wana Tani</u>	<u>Anugerah Alam Subur</u>
<u>Location</u>	<u>Gunungkidul</u>	<u>Jl. Bawang-Tersono Km.0.5</u>	<u>Dadapan</u>	<u>Sumbermujuur</u>	<u>Cisarua Village</u>
<u>Sub District</u>	<u>Wonosari</u>	<u>Bawang</u>	<u>Guci Alit</u>	<u>Candipuro</u>	<u>Bantarkalong</u>
<u>Geographic Position</u>	<u>110° 02' 53,4" East Longitude and 7° 41' 08,7" South Latitude</u>	<u>109° 303' 16" East Longitude and 7° 336' 30" South Latitude</u>	<u>110°03'38" East Longitude and 7°58'03" South Latitude</u>	<u>113°05'26" East Longitude and 8°10'55" South Latitude</u>	<u>107°54'10"-108°26'42" East Longitude and 7°49'08" South Latitude</u>
<u>Latitude</u>	<u>250-650 m asl</u>	<u>800 m asl</u>	<u>500 m asl</u>	<u>800 m asl</u>	<u>200- 1400 m asl</u>
<u>Area</u>	<u>6 villages</u>	<u>9 villages</u>	<u>9 villages</u>	<u>4 villages</u>	<u>7 villages</u>
<u>Luas area (ha)</u>	<u>371,4682</u>	<u>228.089</u>	<u>60914,5</u>	<u>240</u>	
<u>Number of member</u>	<u>684</u>	<u>637</u>	<u>400</u>	<u>75</u>	<u>40</u>
<u>Certification</u>	<u>TLAS</u>	<u>TLAS and FSC</u>	<u>LEI</u>	<u>no</u>	<u>No</u>
<u>Industry</u>	<u>Dipantara</u>	<u>PT. Makmur Alam Lestari</u>	<u>PT. Wana Cahaya Nugraha</u>	<u>PT. Mustika Buana Sejahtera</u>	<u>PT. Bina Inti Lestari</u>
<u>MOU Signed</u>	<u>Not yet</u>	<u>30 March 2012</u>	<u>11 July 2012</u>	<u>8 October 2013</u>	<u>Not yet</u>

Community forest especially in Java is currently receiving serious attention from various parties to be developed as well as in these three focused areas. The development of community forests in these areas are supported with state ownership of land is relatively clearer than outside Java.



1.3.2. Social, Cultural, Economic and Environmental Aspect

Social Cultural Aspect

Community farmer groups in Java Island are usually characterized by low education level in general and they are usually ashamed to express opinions, feel uncomfortable to criticize the implementation of partnership.

Batang District population is dominated by Muslim Javanese. Socio-cultural characteristics in Batang are colored by coastal community character, because most area is in the coastal region. Culture and traditions as a result of mixing of these elements still embedded in the community activities. One of the ceremonial is "Nyadran" (salvation ceremony at beach with pageant) and traditional rowboat race. For this rowboat, communities are using wood as the body of boat. This wood sometimes come from their frontyard but sometimes they cut from the nearest forest.

Majority ethnic in Gunungkidul District consist of Javanese. The majority of the population is Muslim. People also held special ceremonies for cleaning the village known as Rasulan. Javanese language becomes everyday language. The level of farmer education is still low, so they lack of adaptation skill to learn about new technology and knowledge. There were reforestation programme in the

communities land, and communities were provided seeds of wood plant. After several years, the timber ready for cut, however, they need partner to sell their product.

Lumajang population consists of Javanese, Maduranese and Tengger ethnic group. There are “Selamatan Bumi” and “Gelipang Dance” as tradition ceremonies. Environment and culture has brought balance to society. They also held a ritual ceremony named “Sampyong” to request rain in dry season. The local language used is Javanese and Maduranese. The majority religion is Muslim. As religious community, people place tutor or teacher of Islam (Kyai) as highly respected a role model. In Lumajang, formal educations consist of public school and religious boarding school. Social status is not only based on material wealth and education, but also their religious activity particularly pilgrimage/haji. People at Lumajang, particularly Maduranese are known for speaking style with loud volume and forthright/honest.

Tasikmalaya District (*Kabupaten Tasikmalaya*) is located in eastern part of west Java. According to recent data (December 2002), the population was 1,602,682. Most Tasikmalaya people are farmers (44.01%). The people are high in mobility and have good agriculture based skills. There is a long tradition of integrating trees into farming systems in West Java, and ‘people’s forests’ have been an integral part of landscapes in the province for generations. Governments have supported this tradition with a series of policy initiatives since the 1970s aimed at encouraging tree-planting on private land. Local and national interests have both contributed to the evolving practice of planting trees on private land for commercial purposes, which is now widespread in the province. The provincial government has a long-term target of 45% forest cover in West Java. Private forests in Tasikmalaya now cover about 12% of the forest land area in West Java and produce an average of 360,000 m³ of logs per year. These are processed in more than 393 sawmills in the district (Dishutbun Kabupaten, 2014) and by mills outside the district.

This project will give benefit from a social point of view to the values of traditional wisdom in maintaining rich heritage and culture.

Economic Aspect

Batang livelihood is dominated by the agricultural sector, while in coastal areas generally work for fishery sector. Agricultural sector contributed the most of revenue in this area, then the industrial sector secondly. Batang District has potential community forest totally 43.914,218 ha. The timber could sell as raw material for industries.

The primary livelihood at Gunungkidul district is farmers with rice and crops as main commodity, especially in the southern region. While in the northern area, commodity is dominated by crops and timber. At the last few years, bag caterpillar pests (*Pteroma plagiophleps*) has attacked *Albasia (Paraserianthes falcataria)* and causing farmers suffered huge losses. Constraints faced by farmers is the lack of money for pesticides. The other main timber species grows in Gunungkidul is Teak species that has high economic values

The agricultural in Lumajang has become a primary sector of livelihoods include rice, crops, and forestry. The secondary sector is manufacturing industry such as wood processing. As area with rich volcanic eruption, some community at Lumajang also worked as a sand and mineral miner.

Community forest in Tasikmalaya produce sengon, mahogany, teak, coconut wood and acacia. The other types which are the dominant type of wood in the form of processed wood are sengon, a mixture of several wood types, African wood and other types in a small portions. The price of sengon in Tasikmalaya is approximately 600,000 to 700,000 rupiah per cubic meter. Sengon processing industry is growing in Western Java. But there is still the need to increase the capacity of the sawmill managers seriously, so that they can improve the product quality

These four districts as locus of activity still face the same problem with “ijon marketing system” (debt bondage system). Buyers named “tengkulak” or “brokier” bought young stands that are not yet ready for harvest and not directly cut but they will be harvested in the future. The profit from the sale of trees will be owned entirely by the broker. This system causes big losses to farmers because although farmers obtain money quickly but the price received is very low. Ijon marketing system is usually used when farmers cannot fulfill their needs or face a sudden demand (cutting based on the need), however farmer treat wood as savings and asset that should not be cut down.

This project will bring benefit to the economy by helping to ensure further industrial development, to improve farmer livelihood and to improve the legal market for the trade of forest products from community forest which contribute a large share of revenue to national and regional economy.

Environmental Aspect

Topography at Batang district consists of three section, coast on the north, low-lying parts of central and mountainous region on southern. Altitude region varies from 0 - 1000 above sea level. The south area developed for crop, plantation, agriculture, and forestry.

Gunungkidul area is situated in kaliprogo watershed. Some areas of Gunungkidul district based on its geological conditions, geomorphology and climate, including on dangerously areas related to natural disasters, especially draughts. Altitude region is 0 - 1050 m above sea level.

Lumajang district has fertile soil because surrounded by three volcanoes: Semeru Mount, Bromo Mount and Lamongan Mount. The altitude varies from 0 - 2000 m above sea level. Lumajang District also has natural beauty of lake: Ranu Klakah, Ranu Pane, Ranu Kumbolo, etc. The availability of fertile soil and sufficient water causes the agricultural sector become a key sector in this area. Cold lava which is vomitted by Semeru mountain provide a source of minerals such as rock, sand, and iron sand. Communities in Lumajang have community forest totally 30.259,117 ha, and their timber are potential as raw material for the industries located surround the lumajang or East Java province.

With its forest cover about 12% of the forest land area in West Java, several studies and survey in Tasikmalaya shows how community forest especially in West Java have contributed to improving the environment which was in critical and arid condition beforehand to become a green and fertile area. Results of several studies show that the island of Java was spared from ecological disasters such as flooding and drought not because of the success of the management of the government forest area but exactly because of the wisdom of communities to build community forest in their privately owned land.

The proposed project will encourage strong contribution to the achievement of SFM in communities forest area, maintain the produced value-added products from sustainably managed forests and sustain forestry business structure from upstream to downstream.

1.4. Outcomes at project completion

The specific objective of the project is to implement community forest partnership between forest industry and farmer groups. This specific objective can be done through increasing the capacity of community forest farmer groups in implementing partnership, improving performance of forestry extension worker and facilitator, and encouraging implementation of Memorandum of Understanding can be carried out by the parties

At the end of the activity, the implementation of partnership can support farmer group independently, competitively, can manage sustainable forest management, and can implement partnership effectively and efficiently in line with government regulation number 39/Menhut-II/2013 on Empowerment of Local Communities through Forest Partnership.

Partnership between forest industry and forest farmer group will create a strong economic and business structure. In the long term, the strong forest economic and business structure can be intended to support community income. Forestry sector thus can give contribution to the local economy in Indonesia in general. It is characterized by an increasing in people's income, an increasing of the quality management of sustainable forest management, an increasing employment in the forestry sector, an increasing enterprise in forestry sector, an increasing of forestry institutions, and an increasing forestry production.

PART II PROJECT RATIONALE AND OBJECTIVES

2.1. Rationale

2.1.1. Institutional set-up and organizational issues

Implementation of forestry extension and training is one key to successful implementation of any activities of community-based forestry development including the development of community forests. As one of Agency in Ministry of Forestry that has responsibility to realize professional human resources in forestry sector, Extension and Human Resource Development Agency (EHRDA) has conducted the development of competency-based training system (competency based training).

It is expected that the project will serve as an effective means to empower farmer group, strengthen institutional coordination and at the same time to improve capacity related managerial and technical aspect. Executing Agency of the project is Secretariat of Forestry Extension and Human Resource Development Agency, Ministry of Forestry, it will be implemented in collaboration with Batang, Gunungkidul, Tasik Malaya, and Lumajang District Forestry Agency.

2.1.2. Stakeholder analysis

Stakeholder Group	Characteristics	Problems, needs, interests	Potentials	Involvement in the project
Primary Stakeholders				
Community farmers/ farmer groups	<ul style="list-style-type: none"> • Forest dependent within & around the forest • Community owned the land planted with forest tree species 	<ul style="list-style-type: none"> • Lack of Bargaining Position • Livelihoods • Lack of capacity, skill and knowledge • Lack of Financial Support • Low creativity • Lack Entrepreneurship 	<ul style="list-style-type: none"> • They are close to the resource / access • They are organized in farmer group • There is own land • There is labour 	<ul style="list-style-type: none"> • Primary project beneficiaries • Local communities will get skill and knowledge • Adequate economic incentives to manage forest sustainably • Entrepreneurship skill
Forestry Industry	<ul style="list-style-type: none"> • Low Commitment • Have access to Capital • Have access to market network • High technologies 	<ul style="list-style-type: none"> • Increasing demand for wood • SVLK • Competitor from other industry 	<ul style="list-style-type: none"> • Buyer of the result of wood processing • Potential for transfer technologies • Corporate Social Responsibility 	<ul style="list-style-type: none"> • Involved in some activities related to training for grader • Entrepreneurship development • Member of working group
Forestry Extension Worker	<ul style="list-style-type: none"> • Close to farmer group • Know well the location 	<ul style="list-style-type: none"> • Lack Entrepreneurship • Lack capacity in cooperative 	<ul style="list-style-type: none"> • Empowerment farmer groups • motivating the community 	<ul style="list-style-type: none"> • Involved in coordination and discussion meeting • Involved in training • Assistance farmer groups • Bridging farmer groups and forestry industry • Involved in empowerment forest farmer groups

Stakeholder Group	Characteristics	Problems, needs, interests	Potentials	Involvement in the project
Secondary Stakeholders				
Lumajang, Tasikmalaya, Batang and Gunung Kidul District Forestry Agency	<ul style="list-style-type: none"> Locally based They have resources They also have low enforcement power problem 	<ul style="list-style-type: none"> Limited coordination Lack of capacity 	<ul style="list-style-type: none"> Have authority Can mobilized people in the community They have network in provincial and district level Develop regulation 	<ul style="list-style-type: none"> Involved in project activities mainly in development draft regulation, working group and training legal drafter Involved in coordination and discussion meeting Facilitate to support data Support and control the project Mobilize extension
Central Java and East Java Provincial Forestry Agency	<ul style="list-style-type: none"> In effective policy and economic legal framework in sustainable management Lack of coordination with districts and field level Lack of capacity to integrate policies 	<ul style="list-style-type: none"> Harmonize policy and formulate economic framework Socialize of new government regulation Strengthen institutional and human resource in management resource Strengthen of the coordination with relevant parties 	<ul style="list-style-type: none"> Have authority in managing at provincial level Have network and resource in provincial and district level 	<ul style="list-style-type: none"> Facilitation on formulating regulation through consultation process in participatory way Having resources to implement some activities
Secretariat of Extension Coordination Central Java and East Java	<ul style="list-style-type: none"> In effective policy and economic legal framework in sustainable management Lack of coordination with districts and field level Lack of capacity to integrate policies 	<ul style="list-style-type: none"> Harmonize policy and formulate economic framework Socialize of new government regulation Strengthen institutional and human resource in management resource Strengthen of the coordination with relevant parties 	<ul style="list-style-type: none"> Have authority in managing at provincial level Have network and resource in provincial and district level 	<ul style="list-style-type: none"> Facilitation on formulating regulation through consultation process in participatory way Having resources to implement some activities
Extension and Human Resource Development Agency	Lack of capacity to integrate policies	<ul style="list-style-type: none"> Have policy to develop human resource and extension Have authority 	<ul style="list-style-type: none"> Have network and resource in developing human resource and extension Have resource to train community 	<ul style="list-style-type: none"> Facilitation on formulating regulation through consultation process in participatory way Having resources to implement some activities Having resources to train community

Directorate General Watershed Management and Social Forestry	Lack of capacity to integrate policies	<ul style="list-style-type: none"> • Have policy to develop forestry community • Have authority 	<ul style="list-style-type: none"> • Have network and resource in developing forestry community • Have resource to develop farmer groups 	<ul style="list-style-type: none"> • Having data related to community forestry • Having resource in technical capacity to integrate in forestry partnership
Directorate General of Forestry Utilitation	Lack of capacity to integrate policies	<ul style="list-style-type: none"> • Have policy to develop forestry industry • Have authority 	<ul style="list-style-type: none"> • Have network and resource in developing forestry industry 	<ul style="list-style-type: none"> • Having data related to forestry industry • Having resource in technical capacity to integrate in forestry partnership
Forestry development finance center	Human resource to verify financial proposal	<ul style="list-style-type: none"> • Have policy to develop forestry financial for farmer group • Have authority 	<ul style="list-style-type: none"> • Have financial resource in developing forestry 	<ul style="list-style-type: none"> • Having resource in financial to integrate in forestry partnership
Stakeholder Group	Characteristics	Problems, needs, interests	Potentials	Involvement in the project
Tertiary Stakeholders				
Non-Government Organization	<ul style="list-style-type: none"> • Actively involved in monitoring activities 	Actively involved in monitoring activities	Experienced working with communities	<ul style="list-style-type: none"> • Involved in working group
University	<ul style="list-style-type: none"> • Professional • Update • Limited network 	Lack of technology to gain important data and information	<ul style="list-style-type: none"> • Involved in providing policy • Give the suggestion 	<ul style="list-style-type: none"> • Involved in discussion meeting • Contribution in reviewing and analyzing

2.1.3. Problem analysis

The key problem addressed by proposed project is “inadequate operationalization of policy on forestry partnership” which is Forestry Ministerial Decree (FMD) No. 39/2013. The Forestry partnership program is a vehicle for empowering local communities to enjoy potential benefits resources through improved skills and access rights; its ultimate goal is to improve welfare of local communities in a sustainable manner. The forestry partnership is to be develop between local forest communities and forest industries or forest managers and may include various forest-based activities such as logs supply, wood waste utilization, forest inventory, boundary marking, eco-tourism, non-timber forest products, etc. This proposed project concerns only with partnership between local communities and forest industries in supply of logs originating from community forest.

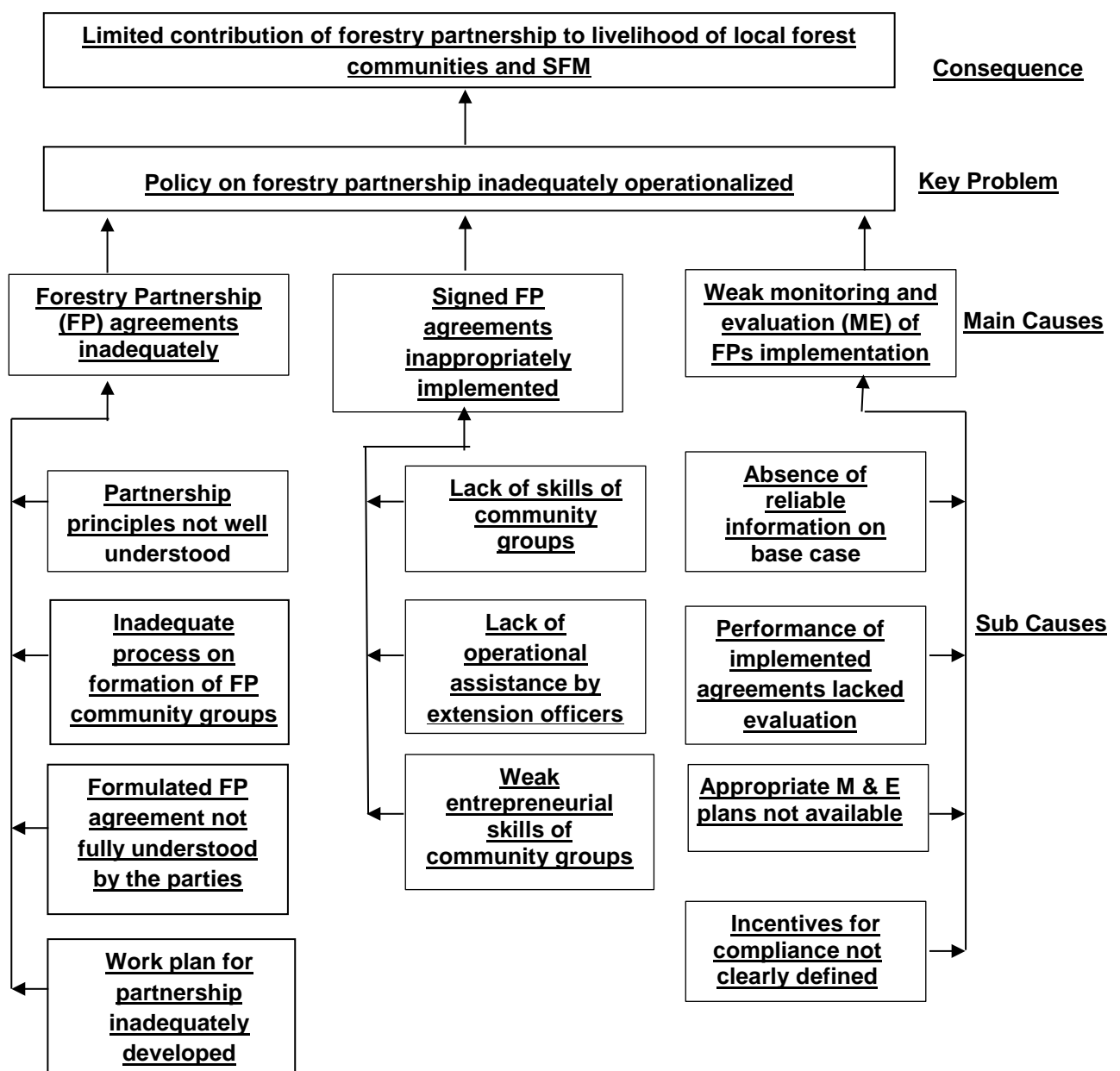
FMD No. 39/2013, however, has not been properly operationalized as evidenced by reported dissatisfactions and irregularities as regards implementation of existing partnership agreements. If this problem remains unresolved, an immediate consequence is limited contribution of the program to livelihood of local forest communities which may diminish their support to sustainable forest management as livelihood is a strong incentive to do so.

The consultation with the main stakeholders indicated that the key problem is attributable to three main forces, namely: i) forestry partnership agreements inadequately developed, ii) signed agreements not appropriately implemented, and iii) weak monitoring and evaluation (M & E) of partnership implementation. The first main force was found as the result of four causes: the partnership principles and requirements are not well understood by the parties involved; formation of community groups involved in partnership does not undergo adequate process; formulated and signed partnership agreements are not fully understood by parties; and workplan for partnership inadequately developed.

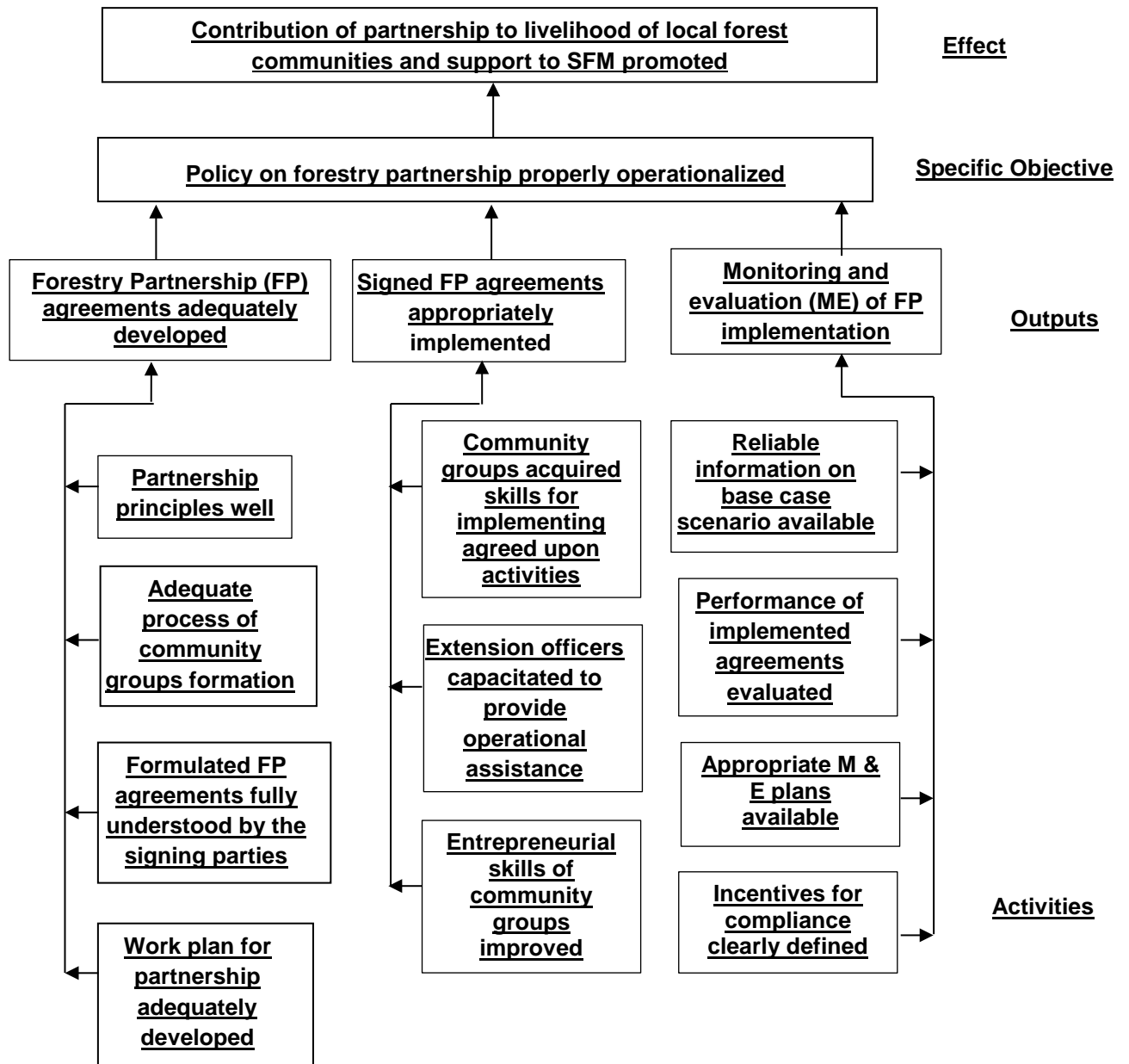
As regards the second main cause, it was maintained as the outcome of three forces, i.e. lack of skills of community groups to implement partnership activities, lack of operational assistance or facilitation by extension officers and weak entrepreneurial skills of community groups to identify and develop forest-based businesses. The third main cause was argued by the stakeholders consulted as the result of four forces, namely: absence of reliable information on base case scenario that does not allow quantification of the progress made, lack of evaluation on implemented partnership agreements, appropriate M & E plans not available and, incentives for compliance with agreement not clearly defined.

The cause-effect relationship of the key problem addressed is summarized in the Problem Tree (Figure 1). An Objective Tree has been constructed to mirror the problem tree (Figure 2); it indicates means-end relationship thus needed interventions to remove the problems identified in the problem tree.

Problem tree



Objective Tree



2.1.4. Logical framework Matrix

Project elements	Measurable indicators	Means of verification	Key assumptions
<u>Development objective</u> <u>To contribute to improvement of local communities livelihood and promotion of sustainable forest management</u>	<u>3 years after project completion:</u> <ul style="list-style-type: none"> - <u>Signed partnership agreements increased by 20 in number in 4 regions</u> - <u>Average household income in 4 districts increased by 20%</u> 	<ul style="list-style-type: none"> - <u>Reports of district forest service</u> - <u>Reports of district governance</u> 	<u>FMD No. 39 remained in effect</u>
<u>Specific objective</u> <u>To initiate adequate operationalization of the policy on forestry partnership development</u>	<u>At project completion:</u> <ul style="list-style-type: none"> - <u>At least 4 partnership agreements adequately develop and signed by parties</u> - <u>Lessons learned from implemented agreements documented and utilized</u> - <u>At least 4 partnership agreements equipped with sound M & E plans</u> 	<ul style="list-style-type: none"> - <u>Reports of district forest service</u> - <u>Consultant's report</u> - <u>Document of M & E plans</u> 	<u>Local governments committed to empower local communities</u>
<u>Output 1</u> <u>Forestry partnership agreements adequately developed</u>	<ul style="list-style-type: none"> - <u>4 regional workshops on FMD No. 39 conducted with app 200 participants</u> - <u>20 dialogue sessions organized in 4 districts attended by 1.000 farmers</u> - <u>8 consultations on agreements organized in 4 districts</u> - <u>4 training workshops on work plan conducted with 100 attendants</u> 	<ul style="list-style-type: none"> - <u>Workshop reports</u> - <u>Dialogue reports</u> - <u>Consultation reports</u> - <u>Training reports</u> 	
<u>Output 2</u> <u>Signed forestry partnership agreements appropriately implemented</u>	<ul style="list-style-type: none"> - <u>4 training sessions on nursery, tree harvesting and hauling, and SVLK conducted with 100 trainees</u> - <u>4 modules on partnership facilitation developed and tested in 4 districts</u> - <u>100 extension officers trained on partnership facilitation techniques</u> - <u>4 community cooperatives established and made operational</u> 	<ul style="list-style-type: none"> - <u>Training reports</u> - <u>Module documents</u> - <u>Training reports</u> - <u>Facilitation reports</u> 	
<u>Output 3</u> <u>Monitoring and evaluation of implemented forestry partnership strengthened</u>	<ul style="list-style-type: none"> - <u>Database systems of forestry partnership operational in 4 districts</u> - <u>8 implemented agreements assessed on their impacts to signing parties</u> - <u>4 training sessions on monitoring organized with 100 participants</u> - <u>Policy document on incentive / disincentive submitted to concerned authorities</u> 	<ul style="list-style-type: none"> - <u>It Consultants report; field check</u> - <u>Assessment report</u> - <u>Training report</u> - <u>Policy document</u> 	

2.2. Objectives

2.2.1. Development objective and impact indicators

- Development Objective: To contribute to improvement of local communities livelihood and promotion of sustainable forest management
- Impact indicators:

3 years after project completion

- Signed partnership agreements increased by 20 in number in 4 regions
- Average household income in 4 districts increased by 20%

2.2.2. Specific objective and outcome indicators

- Specific objective: To initiate adequate operationalization of the policy on forestry partnership development
- Outcome indicators:

At project completion

- At least 4 partnership agreements adequately develop and signed by parties
- Lessons learned from implemented agreements documented and utilized
- At least 4 partnership agreements equipped with sound M & E plans

PART III DESCRIPTION OF PROJECT INTERVENTIONS

3.1. Outputs and Activities

3.1.1. Outputs

1. Forestry partnership agreements adequately developed
2. Signed forestry partnership agreements appropriately implemented
3. Monitoring and evaluation of implemented forestry partnership strengthened

3.1.2. Activities

Output 1:

- 1.1. To conduct regional workshop on operationalization of FMD No. 39/2013 (4 workshops @ 50 people @ 2 days)
- 1.2. To carry out dialogues with local forest communities and form community groups on forestry partnership (4 districts @ 5 sub-districts @ 50 formers @ one day)
- 1.3. To organize consultations with community groups and forest industries on drafting of partnership agreements (4 districts @ 2 session @ 25 people @ 2 days)
- 1.4. To conduct regional training workshops on development of work plan for forestry partnership (4 sessions @ 25 people @ 3 days)

Output 2:

- 2.1. To train community groups on skills for implementing partnership activities (4 districts @ 4 subjects @ 25 people @ 3 days)
- 2.2. To develop practical modules for providing operational assistance by extension officers (4 standardized modules)
- 2.3. To train extension officers on effective facilitating techniques (4 sessions @ 25 people @ 3 days)
- 2.4. To establish community cooperatives and train community groups on forest-based business development (4 sessions @ 25 people @ 2 days)

Output 3:

- 3.1 To install and operate database system of forestry partnership in (4 districts)
- 3.2 To assess actual impacts of implemented partnership agreements on the signing parties (8 sampled agreements in 4 districts)
- 3.3 To conduct training workshops on development of M & E plans (4 sessions @ 25 people @ 2 days)
- 3.4 To prepare policy document establishing incentives / disincentives for compliance / in-compliance of signing parties.

3.2. Implementation approach and methods

Twelve activities are planned to be implemented to deliver three outputs and achieve the specific objective; the activities, as defined in section 3.1.1., will be implemented in a participatory manner as outlined below:

- Activity 1.1. will be executed in cooperation with districts, each workshop will be attended representatives of the main stakeholders including MOEF
- Activity 1.2 will be executed in cooperation with local governments with the assistance of local NGOs noting that NGOs are usually familiar with such work
- Activity 1.3 will be implemented with facilitation by forestry authorities to ensure that partnership agreements to signed satisfy the principles and requirements as defined in FMD No. 39
- Activity 1.4 will be executed with the assistance of competent national consultant.
- Activity 2.1 is best implemented in collaboration with local NGOs to be selected based on experience is different subject, i.e. nursery, tree harvesting, hauling and SVLK application
- Activity 2.2 will be completed with the assistance of local university, depending on availability and competence

- Activity 2.3 will be executed in cooperation with MOEF's Center for Education and Training that has accumulated experience in module development
- Activity 2.4 will be executed with the assistance of national consultant having wide experience in cooperative business development
- Activity 3.1 is to be implemented with an experienced IT consultant; his/her task will also cover development of SOP and training of operators
- Activity 3.2 will be executed in cooperation with a professional having wide experience in project impact assessment
- Activity 3.3 is to be implemented in cooperation with local university depending upon competence in the training subject
- Activity 3.4 is to be executed with the assistance of a national consultant involving in-house expert of local government and MOEF

In essence, the project activities are to be implemented in a collaborative manner involving partners, i.e. consultants, NGOs, universities, forestry institutions, etc. The executing agency alone is not able to implement the project activities due to the limited resources under its control.

3.3. Workplan

Outputs/Activities	Responsible Parties	Year I/Quarterly				Year II/Quarterly			
		1	2	3	4	1	2	3	4
Output 1									
Activity 1.1 To conduct regional workshop on operationalization of FMD No. 39/2013	PMU, LG, EO	■	■	■	■				
Activity 1.2 To carry out dialogues with local forest communities and form community groups on forestry partnership	PMU, LG, NGO	■	■	■	■				
Activity 1.3 To organize consultations with community groups and forest industries on drafting of partnership agreements	PMU, NGO			■	■				
Activity 1.4 To conduct regional training workshops on development of work plan for forestry partnership	PMU, NC			■	■				
Output 2									
Activity 2.1 To train community on skills for implementing partnership activities	PMU, NGO			■	■	■	■		
Activity 2.2 To develop practical modules for providing operational assistance by extension officers	PMU, LU			■	■	■	■		
Activity 2.3 To train extension officers on effective facilitating techniques	PMU, NGO					■	■	■	■
Activity 2.4 To establish community cooperatives and train community groups on forest-based business development	PMU, NC					■	■	■	■
Output 3									
Activity 3.1 To install and operate database system of forestry partnership in (4 districts)	PMU, IT	■	■						
Activity 3.2 To asses actual impacts of implemented partnership agreements on the signing parties	PMU, NGO	■	■						
Activity 3.3 To conduct training workshops on development of M & E plans	PMU, NC, LU					■	■	■	■
Activity 3.4 To prepare policy document establishing incentives / disincentives for compliance / non-compliance of signing parties.	PMU, LG, NC							■	■

Notes:

PMU: Project Management Unit; LG: Local Government; EO: Event Organizer; NGO: Non-Governmental Organization

NC: National Consultant; LU: Local University

3.4. Budget

3.4.1 Master Budget Schedule

Output/Activity	Quarter	Budget Component	Inputs		Unit	Quantity					Unit Cost	Year 1	Year 2	Total	Year 1	Year 2	Total	Grand Total						
						ITTO		GOI		Total									Year 1	Year 2	Total	Year 1	Year 2	Total
						Year 1	Year 2	Year 1	Year 2															
1	2	3	4		5	6	7	8	9	10	11	12	13	14	15	16	17	18						
Output 1: Forestry partnership agreements adequately developed																								
Activity 1.1.: To conduct regional workshop on operationalization of FMD No. 39/2013 (4 workshops @ 50 people @ 2 days)	Q1-Q4, Y1	21	a	Sub- Contract, No. 1 EO	Sub-contract	4.00	-	-	-	4.00	9,000.00	36,000.00	-	36,000.00	-	-	-	36,000.00						
		51	b	Miscellaneous (Consumable item)	Package	4.00	-	-	-	4.00	750.00	3,000.00	-	3,000.00	-	-	-	3,000.00						
Sub-total Activity 1.1												39,000.00	-	39,000.00	-	-	-	39,000.00						
Activity 1.2: To carry out dialogues with local forest communities and form community groups on forestry partnership (4 districts @ 5 sub-districts @ 50 formers @ one day)	Q1-Q4, Y1					-	-	-	-	-	1,500.00	-	-	-	-	-	-	-						
		15				-	-	-	-	-	90.00	-	-	-	-	-	-	-						
		32.2	a	Facilitator	MD	4.00	-	-	-	4.00	500.00	2,000.00	-	2,000.00	-	-	-	2,000.00						
			b	Air Ticket	Trip	16.00	-	-	-	16.00	250.00	4,000.00	-	4,000.00	-	-	-	4,000.00						
			c	Local Transport	Package	4.00	-	-	-	4.00	1,500.00	6,000.00	-	6,000.00	-	-	-	6,000.00						
		33	d	DSA	MD	32.00	-	-	-	32.00	90.00	2,880.00	-	2,880.00	-	-	-	2,880.00						
		31.2	e	Meeting Package	Package	1,000.00	-	-	-	1,000.00	90.00	35,000.00	-	35,000.00	-	-	-	35,000.00						
		51	f	Miscellaneous (Consumable item)	Package	4.00	-	-	-	4.00	750.00	3,000.00	-	3,000.00	-	-	-	3,000.00						
Sub-total Activity 1.2												52,880.00	-	52,880.00	-	-	-	52,880.00						
Activity 1.3: To organize consultations with community groups and forest industries on drafting of partnership agreements (4 districts @ 2 session @ 25 people @ 2 days)	Q3 - Q4, Y1					-	-	-	-	-	1,500.00	-	-	-	-	-	-	-						
		15				-	-	-	-	-	90.00	-	-	-	-	-	-	-						
		32.2	a	Facilitator	MD	4.00	-	-	-	4.00	500.00	2,000.00	-	2,000.00	-	-	-	2,000.00						
			b	Air Ticket	Trip	16.00	-	-	-	16.00	250.00	4,000.00	-	4,000.00	-	-	-	4,000.00						
			c	Local Transport	Package	4.00	-	-	-	4.00	1,500.00	6,000.00	-	6,000.00	-	-	-	6,000.00						
		33	d	DSA	MD	32.00	-	-	-	32.00	90.00	2,880.00	-	2,880.00	-	-	-	2,880.00						
		31.2	e	Meeting Package	Package	400.00	-	-	-	400.00	35.00	14,000.00	-	14,000.00	-	-	-	14,000.00						
		51	f	Miscellaneous (Consumable item)	Package	4.00	-	-	-	4.00	750.00	3,000.00	-	3,000.00	-	-	-	3,000.00						
Sub-total Activity 1.3												31,880.00	-	31,880.00	-	-	-	31,880.00						

Activity 1.4: To conduct regional training workshops on development of work plan for forestry partnership (4 sessions @ 25 people @ 3 days)	Q3 - Q4, Y1	14 31.1	a	National Consultant	MM	1.00	-	-	-	1.00	1,500.00	1,500.00	-	1,500.00	-	-	-	1,500.00	
			b	DSA National Consultant	MD	16.00	-	-	-	16.00	90.00	1,440.00	-	1,440.00	-	-	-	-	1,440.00
		32.2.	c	Air Ticket, NC	trip	4.00	-	-	-	4.00	250.00	1,000.00	-	1,000.00	-	-	-	-	1,000.00
			d	Air Ticket	trip	4.00	-	-	-	4.00	250.00	1,000.00	-	1,000.00	-	-	-	-	1,000.00
		33 31.2.	e	Local Transport	package	4.00	-	-	-	4.00	1,500.00	6,000.00	-	6,000.00	-	-	-	-	1,000.00
			f	DSA	MD	12.00	-	-	-	12.00	90.00	1,080.00	-	1,080.00	-	-	-	-	1,080.00
		51	g	Meeting Package	Package	300.00	-	-	-	300.00	35.00	10,500.00	-	10,500.00	-	-	-	-	10,500.00
			h	Miscellaneous (Consumable item)	Package	4.00	-	-	-	4.00	750.00	3,000.00	-	3,000.00	-	-	-	-	3,000.00
Sub-total Activity 1.3											25,520.00	-	25,520.00	-	-	-	25,520.00		
Total Output 1											149,280.00	-	149,280.00	-	-	-	149,280.00		
Output 2: Signed forestry partnership agreements appropriately implemented																			
Activity 2.1: To train community groups on skills for implementing partnership activities (4 districts @ 4 subjects @ 25 people @ 3 days)	Q2-Q4, Y1 Q1-Q2, Y2	15.32. 2	a	Facilitator	MD	2.00	2.00	-	-	4.00	500.00	1,000.00	1,000.00	2,000.00	-	-	-	2,000.00	
			b	Air Ticket	Trip	4.00	4.00	-	-	8.00	250.00	1,000.00	1,000.00	2,000.00	-	-	-	2,000.00	
		33.31. 2	c	Local Transport	Package	2.00	2.00	-	-	4.00	1,500.00	3,000.00	3,000.00	6,000.00	-	-	-	6,000.00	
			d	DSA	MD	16.00	-	-	-	32.00	90.00	1,440.00	1,440.00	2,880.00	-	-	-	2,880.00	
		51	e	Meeting Package	Package	150.00	150.00	-	-	300.00	35.00	5,250.00	5,250.00	10,500.00	-	-	-	10,500.00	
			f	Miscellaneous (Consumable item)	Package	2.00	2.00	-	-	4.00	750.00	1,500.00	1,500.00	3,000.00	-	-	-	3,000.00	
Sub-total Activity 2.1											13,190.00	13,190.00	26,380.00	-	-	-	26,380.00		
Activity 2.2: To develop practical modules for providing operational assistance by extension officers (4 standardized modules)	Q2-Q4, Y1 Q1-Q2, Y2	22 51	a	Sub-Contract No. 2 University	Sub Contract	0.50	0.50	-	-	1.00	8,000.00	4,000.00	4,000.00	8,000.00	-	-	-	8,000.00	
			b	Miscellaneous (Consumable item)	Package	1.00	1.00	-	-	2.00	750.00	750.00	750.00	1,500.00	-	-	-	1,500.00	
Sub-total Activity 2.2											4,750.00	4,750.00	9,500.00	-	-	-	9,500.00		
Activity 2.3: To train extension officers on effective facilitating techniques (4 sessions @ 25 people @ 3 days)	Q1-Q4, Y2	15 32.2.	a	Facilitator	MD	-	4.00	-	-	4.00	500.00	-	2,000.00	2,000.00	-	-	-	2,000.00	
			b	Air Ticket	Trip	-	8.00	-	-	8.00	250.00	-	2,000.00	2,000.00	-	-	-	2,000.00	
		33 31.2.	c	Local Transport	Package	-	4.00	-	-	4.00	1,500.00	-	6,000.00	6,000.00	-	-	-	6,000.00	
			d	DSA	MD	-	32.00	-	-	32.00	400.00	-	12,800.00	12,800.00	-	-	-	12,800.00	
		51	e	Meeting Package	Package	-	300.00	-	-	300.00	35.00	-	10,500.00	14,000.00	-	-	-	10,500.00	
			f	Miscellaneous (Consumable item)	Package	-	4.00	-	-	4.00	500.00	-	2,000.00	2,000.00	-	-	-	3,000.00	
Sub-total Activity 2.3											35,300.00	35,300.00	-	-	-	35,300.00			

Activity 2.4: To establish community cooperatives and train community groups on forest-based business development (4 sessions @ 25 people @ 2 days)	Q1-Q4, Y2	14	a	National Consultant	MM	-	1.00	-	-	1.00	1,500.00	-	1,500.00	1,500.00	-	-	-	1,500.00		
			31.1	b	DSA National Consultant	MD	-	16.00	-	-	16.00	90.00	-	1,440.00	1,440.00	-	-	-	1,440.00	
		32.1	32.1	c	Air ticket, NC	trip	-	4.00	-	-	4.00	250.00	-	1,000.00	1,000.00	-	-	-	1,000.00	
				d	Air Ticket	trip	-	8.00	-	-	8.00	250.00	-	2,000.00	2,000.00	-	-	-	2,000.00	
		33	31.2	51	e	Local Transport	package	-	4.00	-	-	4.00	1,500.00	-	6,000.00	6,000.00	-	-	-	6,000.00
					f	DSA	MD	-	32.00	-	-	32.00	90.00	-	2,880.00	2,880.00	-	-	-	2,880.00
					g	Meeting Package	Package	-	200.00	-	-	200.00	35.00	-	7,000.00	7,000.00	-	-	-	7,000.00
					h	Miscellaneous (Consumable item)	Package	-	4.00	-	-	4.00	750.00	-	3,000.00	3,000.00	-	-	-	3,000.00
Sub-total Activity 2.4												24,820.00	24,820.00	-	-	-	24,820.00			
Total Output											17,940.00	78,080.00	96,000.00	-	-	-	96,000.00			
Output 3: Monitoring and evaluation of implemented forestry partnership strengthened																				
Activity 3.1: To install and operate database system of forestry partnership in (4 districts)	Q1-Q2, Y1	23	51	a	Sub-contact No 3- IT	Package	4.00	-	-	-	4.00	2,000.00	8,000.00	-	8,000.00	-	-	-	8,000.00	
				b	Miscellaneous (Consumable item)	Package	4.00	-	-	-	4.00	750.00	3,000.00	-	3,000.00	-	-	-	3,000.00	
Sub-total Activity 3.1											11,000.00	-	11,000.00	-	-	-	11,000.00			
Activity 3.2: To asses actual impacts of implemented partnership agreements on the signing parties (8 sampled agreements in 4 districts)	Q1-Q2, Y1	15	32.2.	a	Facilitator	MD	2.00	-	-	-	2.00	500.00	1,000.00	-	1,000.00	-	-	-	1,000.00	
				b	Air Ticket	Trip	8.00	-	-	-	8.00	250.00	2,000.00	-	2,000.00	-	-	-	2,000.00	
				c	Local Transport	Package	2.00	-	-	-	1.00	1,000.00	2,000.00	-	2,000.00	-	-	-	2,000.00	
		33	31.2.	51	d	DSA	MD	16.00	-	-	-	16.00	400.00	6,400.00	-	6,400.00	-	-	-	6,400.00
					e	Meeting Package	Package	1	-	-	-	1	1,500.00	1,500.00	-	1,500.00	-	-	-	1,500.00
					f	Miscellaneous (Consumable item)	Package	1	-	-	-	1	750.00	750.00	-	750.00	-	-	-	750.00
Sub-total Activity 3.2											13,650.00	-	13,650.00	-	-	-	13,650.00			
Activity 3.3: To conduct training workshops on development of M & E plans (4 sessions @ 25 people @ 2 days)	Q1-Q4, Y2	14	31.1.	a	National Consultant	MM	-	1.00	-	-	1.00	1,500.00	-	1,500.00	1,500.00	-	-	-	1,500.00	
				b	DSA National Consultant	MD	-	16.00	-	-	16.00	90.00	-	1,440.00	1,440.00	-	-	-	1,440.00	
		32.1.	24	51	c	Air Ticket, NC	trip	-	4.00	-	-	4.00	250.00	-	1,000.00	1,000.00	-	-	-	1,000.00
					d	Sub-Contract No 4 - university	Sub Contract	-	1.00	-	-	1.00	8,000.00	-	8,000.00	8,000.00	-	-	-	8,000.00
		e	Miscellaneous (Consumable item)	Package	-	1.00	-	-	1.00	750.00	-	750.00	750.00	-	-	-	-	750.00		
Sub-total Activity 3.3												12,690.00	12,690.00	-	-	-	12,690.00			

Activity 3.4: To prepare policy document establishing incentives/disincentives for compliance/incompliance of signing parties.	Q3Q 4, Y2	15 32.2.	a	Facilitator	MD	-	2.00	-	-	2.00	500.00	-	1,000.00	1,000.00	-	-	-	1,000.00	
			b	Air Ticket	Trip	-	8.00	-	-	8.00	250.00	-	2,000.00	2,000.00	-	-	-	-	2,000.00
			c	Local Transport	Package	-	2.00	-	-	1.00	1,000.00	-	2,000.00	2,000.00	-	-	-	-	2,000.00
		33 31.2.	d	DSA	MD	-	16.00	-	-	16.00	90.00	-	1,440.00	1,440.00	-	-	-	-	1,440.00
			e	Meeting Package	Package	-	1	-	-	1	1,500.00	-	1,500.00	1,500.00	-	-	-	-	1,500.00
			f	Miscellaneous (Consumable item)	Package	-	1	-	-	1	750.00	-	750.00	750.00	-	-	-	-	750.00
Sub-total Activity 3.4											8,690.00	8,690.00	-	-	-	8,690.00			
Total Output 3											24,650.00	21,380.00	46,030.00	-	-	-	46,030.00		
Total Project											191,870.00	99,440.00	291,310.00	-	-	-	291,310.00		
Non-activity based																			
Q1-Q4, Y1 Q1-Q4, Y2	11 12 13 32.2. 33 31.3. 51 41 42 43	Key Personnel																	
		a	Project coordinator (PC)	MM	12.00	12.00	-	-	-	2,500.00	30,000.00	30,000.00	60,000.00	-	-	-	-	60,000.00	
		b	Project Administration /Secretary	MM	12.00	12.00	-	-	-	500.00	6,000.00	6,000.00	12,000.00	-	-	-	-	12,000.00	
		c	Project Finance	MM	12.00	12.00	-	-	-	500.00	6,000.00	6,000.00	12,000.00	-	-	-	-	12,000.00	
		d	Duty Travel Air Ticket	trip	24.00	24.00	2.00	2.00	-	250.00	6,000.00	6,000.00	12,000.00	1,000.00	1,000.00	<u>2,000.00</u>	<u>14,000.00</u>		
		f	Local Transport	trip	24.00	24.00	3.00	2.00	-	240.00	5,760.00	5,760.00	11,520.00	1,000.00	1,000.00	<u>2,000.00</u>	<u>13,520.00</u>		
		g	DSA, PMU	MD	72.00	72.00	8.00	8.00	-	90.00	6,480.00	6,480.00	12,960.00	2,000.00	2,000.00	<u>4,000.00</u>	<u>16,960.00</u>		
		h	Office Operations DSA, PMU	year	-	-	1.00	1.00	-	3,600.00	-	-	-	3,600.00	3,600.00	7,200.00	7,200.00		
		k	Consumables	year	1.50	1.50	1.00	1.00	-	1,200.00	1,800.00	1,800.00	3,600.00	<u>10,000.0</u>	<u>10,000.0</u>	<u>20,000.0</u>	<u>23,600.0</u>		
		m	Capital Items Personal Computer	unit	2.00	-	1.00	-	-	500.00	1,000.00	-	1,000.00	500.00	-	500.00	1,500.00		
		n	Notebook	unit	1.00	-	-	-	-	1,500.00	1,500.00	-	1,500.00	-	-	-	1,500.00		
		o	Printer	unit	1.00	-	-	-	-	300.00	300.00	-	300.00	-	-	-	300.00		
		p	PSC Meeting	meeting	1.00	2.00	0.50	0.50	-	2,000.00	2,000.00	4,000.00	6,000.00	<u>7,500.00</u>	<u>7,500.00</u>	<u>15,000.0</u>	<u>21,000.0</u>		
		q	Financial auditing	year	1.00	1.00	-	-	-	2,000.00	2,000.00	2,000.00	4,000.00	-	-	-	4,000.00		
r	Project Report printing	package	-	1.00	-	-	-	1,000.00	-	1,000.00	1,000.00	-	-	-	1,000.00				
Total Non-activity based											68,840.00	69,040.00	137,880.00	25,600.0	25,100.0	50,700.00	188,580.00		
Grand Total Project Costs											260,170.00	168,480.00	429,190.00	<u>32,000.0</u>	<u>31,500.0</u>	<u>63,500.00</u>	<u>492,690.00</u>		
ITTO Monitoring and Review													15,000.00				15,000.00		
ITTO Ex-post Evaluation													10,000.00				10,000.00		
ITTO Programme Support													54,503.00				54,503.00		
											508,693.00					63,500.00	572,193.00		

3.4.2. Yearly Consolidated Budget

Category	Description	Total	Year 1	Year 2
10	Personnel			
11	Project Coordinator	60,000.00	30,000.00	30,000.00
12	Project Secretary	12,000.00	6,000.00	6,000.00
13	Project Finance	12,000.00	6,000.00	6,000.00
14	National Consultants	4,500.00	1,500.00	3,000.00
15	Facilitator	10,000.00	6,000.00	4,000.00
19	Sub total	98,500.00	49,500.00	49,000.00
20	Sub contracts			
21	Sub contract No. 1 Event Organizer	36,000.00	36,000.00	-
22	Sub contract No. 2, University	8,000.00	4,000.00	4,000.00
23	Sub contract No.3, IT	8,000.00	8,000.00	-
24	Sub contract No.4, University	8,000.00	-	8,000.00
29	Sub total	60,000.00	48,000.00	12,000.00
30	Duty Travel			
31	Daily Subsistence Allowance			
	31.1. DSA National Consultants	4,320.00	1,440.00	2,880.00
	31.2. DSA	33,240.00	14,680.00	18,560.00
	31.3. DSA PMU	16,960.00	8,480.00	8,480.00
32	Air ticket			
	32.1. Air Ticket, NC	3,000.00	1,000.00	2,000.00
	32.2. Air ticket	33,000.00	19,000.00	14,000.00
33	Local Transport	53,520.00	29,760.00	23,760.00
39	Sub total	144,040.00	74,360.00	69,680.00
40	Capital Items			
41	Personal Computer	1,500.00	1,500.00	-
42	Laptop	1,500.00	1,500.00	-
43	Printer	300.00	300.00	-
49	Sub total	3,300.00	3,300.00	-
50	Consumables items			
51	Consumables items	50,350.00	29,800.00	20,550.00
59	Sub total	50,350.00	29,800.00	20,550.00

60	Miscellaneous			
61	Meeting	90,500.00	66,250.00	24,250.00
62	PSC meetings	<u>21,000.00</u>	<u>9,500.00</u>	<u>11,500.00</u>
63	Financial Audit	4,000.00	2,000.00	2,000.00
64	Office space	<u>20,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>
65	Project report printing	1,000.00	-	1,000.00
69	Sub total	<u>136,500.00</u>	<u>87,750.00</u>	<u>48,750.00</u>
70	Total Project	<u>492,690.00</u>	<u>292,710</u>	<u>199,980.00</u>
80	National management cost	-	(See executing agency budget)	
90	Project monitoring and administration			
91	ITTO monitoring & review	<u>15,000.00</u>		
92	ITTO ex-post evaluation	<u>10,000.00</u>		
95	ITTO Programme support (70 + 91 +92) x 12%	<u>54,503.00</u>		
100	Total Project Monitoring and Administration	<u>79,503.00</u>		
	GRAND TOTAL (70 + 100)	<u>572,193.00</u>		

3.4.3 ITTO Yearly Budget

Category	Description	Total	Year 1	Year 2
10	Personnel			
11	Project Coordinator	60,000.00	30,000.00	30,000.00
12	Project Secretary	12,000.00	6,000.00	6,000.00
13	Project Finance	12,000.00	6,000.00	6,000.00
14	National Consultants	4,500.00	1,500.00	3,000.00
15	Facilitator	10,000.00	6,000.00	4,000.00
19	Sub total	98,500.00	49,500.00	49,000.00
20	Sub contracts			
21	Sub contract No. 1 Event Organizer	36,000.00	36,000.00	-
22	Sub contract No. 2, University	8,000.00	4,000.00	4,000.00
23	Sub contract No.3, IT	8,000.00	8,000.00	-
24	Sub contract No.4, University	8,000.00	-	8,000.00
29	Sub total	60,000.00	48,000.00	12,000.00
30	Duty Travel			
31	Daily Subsistence Allowance			
	31.1. DSA National Consultants	4,320.00	1,440.00	2,880.00
	31.2. DSA	33,240.00	14,680.00	18,560.00
	31.3. DSA PMU	12,960.00	6,480.00	6,480.00
32	Air ticket			
	32.1. Air Ticket, NC	3,000.00	1,000.00	2,000.00
	32.2. Air ticket	31,000.00	18,000.00	13,000.00
33	Local Transport	51,520.00	28,760.00	22,760.00
39	Sub total	136,040.00	70,360.00	65,680.00
40	Capital Items			
41	Personal Computer	1,000.00	1,000.00	-
42	Laptop	1,500.00	1,500.00	-
43	Printer	300.00	300.00	-
49	Sub total	2,800.00	2,800.00	-
50	Consumables items			
51	Consumables items	30,350.00	19,800.00	10,550.00
59	Sub total	30,350.00	19,800.00	10,550.00
60	Miscellaneous			
61	Meeting	90,500.00	66,250.00	24,250.00
62	PSC meetings	6,000.00	2,000.00	4,000.00
63	Financial Audit	4,000.00	2,000.00	2,000.00
64	Office space	-	-	-
65	Project report printing	1,000.00	-	1,000.00
69	Sub total	101,500.00	70,250.00	31,250.00
70	Total Project	429,190.00	260,710.00	168,480.00
80	National management cost		(See executing agency budget)	

90	Project monitoring and administration			
91	ITTO monitoring & review	<u>15,000.00</u>		
92	ITTO ex-post evaluation	<u>10,000.00</u>		
95	ITTO Programme support (70 + 91 +92) x 12%	<u>54,503.00</u>		
100	Total Project Monitoring and Administration	<u>79,503.00</u>		
	GRAND TOTAL (70 + 100)	<u>508,693.00</u>		

3.4.4 Executing Agency Yearly Budget (Gol)

Category	Description	Total	Year 1	Year 2
10	Personnel			
19	Sub total	-	-	-
20	Sub contracts			
29	Sub total	-	-	-
30	Duty Travel			
31	Daily Subsistence Allowance			
	31.3. DSA PMU	<u>4,000.00</u>	<u>2,000.00</u>	<u>2,000.00</u>
32	Air ticket	-	-	-
	32.2. Air ticket	<u>2,000.00</u>	<u>1,000.00</u>	<u>1,000.00</u>
33	Local Transport	<u>2,000.00</u>	<u>1,000.00</u>	<u>1,000.00</u>
39	Sub total	<u>8,000.00</u>	<u>4,000.00</u>	<u>4,000.00</u>
40	Capital Items			
41	Personal Computer	500.00	500.00	-
49	Sub total	<u>500.00</u>	<u>500.00</u>	-
50	Consumables items	-	-	-
51	Consumables items	<u>20,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>
59	Sub total	<u>20,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>
60	Miscellaneous	-	-	-
62	PSC meetings	<u>15,000.00</u>	<u>7,500.00</u>	<u>7,500.00</u>
64	Office space	<u>20,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>
69	Sub total	<u>35,000.00</u>	<u>17,500.00</u>	<u>17,500.00</u>
70	Total Project	<u>63,500.00</u>	<u>32,000.00</u>	<u>31,500.00</u>
80	National management cost	-	(See executing agency budget)	
	GRAND TOTAL (70 + 100)	<u>63,500.00</u>		

3.5. Assumptions, risks, sustainability

3.5.1. Assumptions and risks

There are some weakness and threat that occurred in implementation of project activity. These factors come from any sector and source:

One important factor in supporting the success of the training is that there is a teacher who has the ability to deliver learning materials. The qualified trainers are available. Low participation of training of participants would be anticipated through the invite instructor who can deliver knowledge, skills and motivation to the participants. Instructors can draw attention of participants with teaching methodology, interesting way of discussion and open minded communication.

Related to training, it is possible that ability to implement of participants is less training materials. To accomplish this matter, the instructors will intensively monitoring and mentoring. Training instructors are expected to have responsibility on foster training of participants not only during but also after that activity.

Policy may change because of the condition in national government, it also affect to project implementation. It can be anticipated by making appropriate changes in project activity but still consistent by the goals achieved. Partnership between the forestry industries with private forest farmer groups need support from stakeholder, especially the government. Local Governments support the policies related to the partnership between industry and farmer groups.

In some cases partnerships are encountered, the low implementation of the commitments to the agreement, the private forest farmers still are in a subordinate position compared with business partners. The strong partnership and mutual benefit reflected the parallels between private forest growers with business partners. In the implementation of partnership need to formulate reward and punishment to a mechanism to support partnership.

3.5.2. Sustainability

To maintain the consistency on capacity-building activities by forestry extension. Information and experience that has been acquired by forestry extension can be disseminated to audience widely (especially forest community farmers groups and forestry industry). The enhancement of forestry extension worker competency will be directly proportional to increase of forest community farmers groups and the forestry industry participation.

Establishment of working group intensively may become a communication networks to connect stakeholder. Through this forum may discuss issues and solve problems in partnership.

Regulation at local government related to partnerships can be a reference for the forestry industry in operational of forest management implementation. The local government also take a role in monitoring of the forestry industry activities directly and continuously.

Post monitoring activities carried out by the government at district, provincial, and national level. So they able to oversee the implementation and results even develop further action in partnership to increase public welfare.

PART IV IMPLEMENTATION ARRANGEMENTS

4.1. Organizational structure and stakeholder involvement mechanisms

4.1.1. Executing agency and partners

The Executing Agency of the project will be the Secretariat of the Forestry Extension and Human Resource Development Agency MoF which will assume all the responsible for its coordination and implementing of the activities. It will responsible for managing of the implementation of activities and the ITTO fund. The executing and implementing agency will be involved in the project since the preparation until completion of the project.

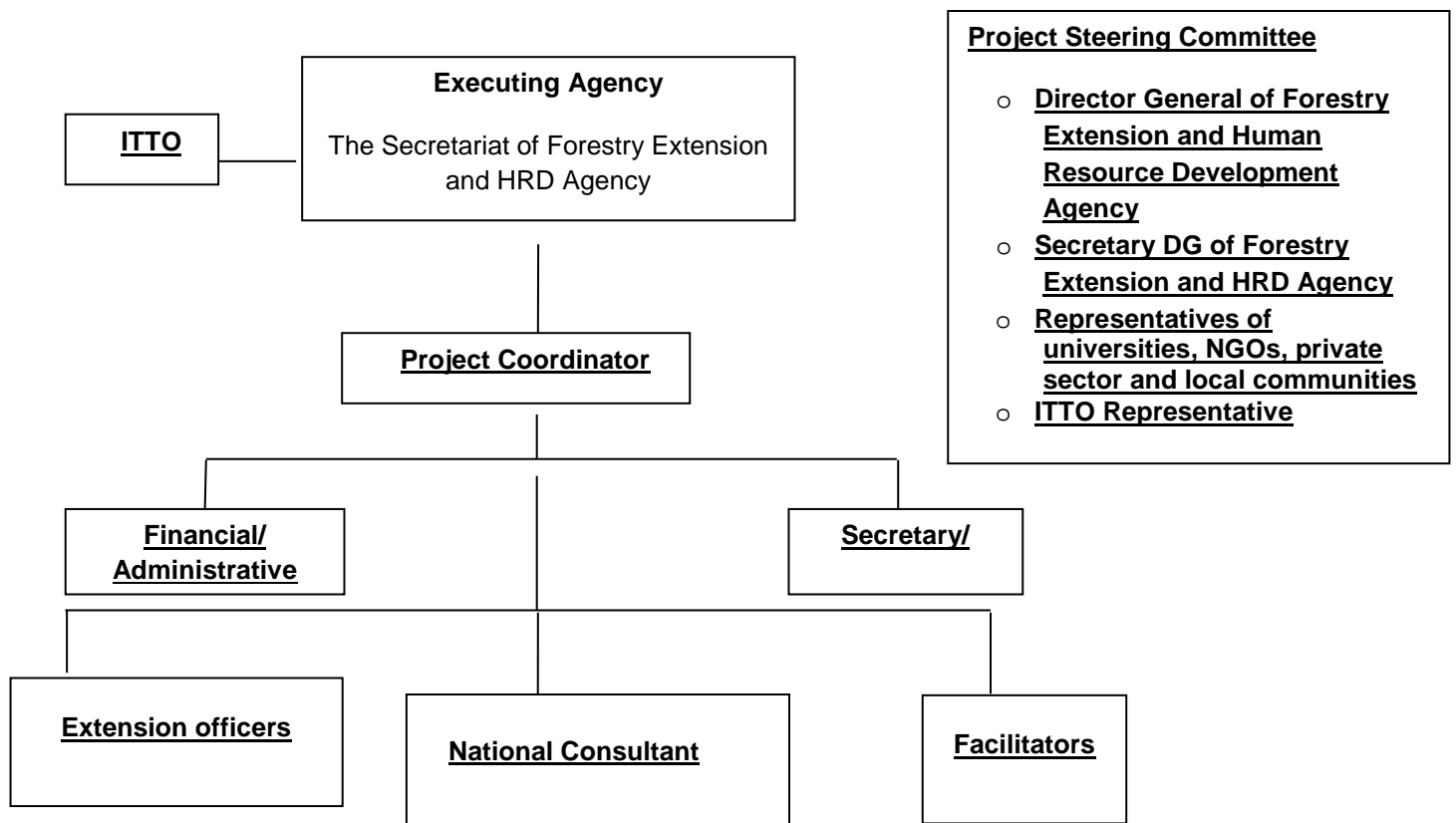
Executing Agency will work together with some experts, training institutions, forestry service of district level, communities group, small scale industries or other relevant institution to implement some activities in the field. Forest Service in the District Purworejo, Batang, and Lumajang will be collaborating agency (CA) on this project. Three of this district will be the location of a pilot model of the formation of cooperative forestry efforts to facilitate community forest farmer groups, especially in terms of marketing of forest products. Forest Service at the district and provincial duty to continue the implementation of the activities that have been implemented.

4.1.2. Project management team

Under approval ITTO, The Executing Agency will appoint the Project Management Unit (PMU) which shall be responsible for its coordination and implementation of the activities and responsible for managing ITTO funds in accordance with the Project Document for the duration of the Project approved by ITTO and EA. The PMU will be lead by a Project Coordinator who will be overall in charge of the project implementation including budget arrangement. Professional staff will be assigned for the project coordinator. The project coordinator will report to the Executing Agency as well as to ITTO in consultation with the Steering Committee accordingly for the implementation of the project activity. All the expenditures/expenses of the project will be reported and document/goods/services handed over to EA by PMU through Minutes of Hand Over or BAST (Berita Acara Serah Terima)

PMU will work together with targeted local governments some experts/consultants, forestry service at district level, communities group, local NGO, and other relevant institutions to implement some activities in the field. If necessary, the other activities will be implemented through sub-contracts with local NGO for efficiency. Executing Agency will assign counterpart to assist PMU in implementing activities. and will work together with targeted local governments, some experts/consultants, forestry service.

The management structure of the project is presented in the following diagram:



4.1.3. Project steering committee

Project steering committee (PSC) is selected by The Executing Agency. The Project Steering Committee (PSC) consist of: Secretariat Forestry Extension and Human Resource Development Agency, Ministry of Forestry; A representative of Collaborating Agency; Representative of district office from Purworejo, Batang, and Lumajang; Community Representative/Forestry Cooperatives/Private sectors; ITTO Representative; Donor representative; Representatives of universities, NGOs, private sector and local communities (if available);

PSC duty is to oversee project implementation, approve expenditures within the budget, review the activities that have been carried out, and review and propose changes in budgets and activities. The project steering committee monitors the overall strategic management of the project and ensures that it proceeds in a timely, efficient and effective manner in accordance with its logical framework matrix, work plan, and other aspects of the project document. The ommittee shall meet at least once a year; a special meeting may be called for by the Executing Agency at any time as need arises.

4.1.4. Stakeholder involvement mechanism

Stakeholders meeting was held between representatives from community forest farmer groups, forestry extension forestry, both local governments, provincial, and national, as well as from the forest industry, NGOs, and academics involved in the activities of community forest partnerships and development. Activities will be carried out continuously at a certain period.

Detail arrangement of key stakeholders in this project set out as follows:

The role of the Secretariat of Forestry Extension and Human Resource Development Agency, Ministry of Forestry, (MoF) is maintain coordination among relevant parties in implementing project objective and activities

- Coordinate and consulting with ITTO upon the project development
- Responsible for the project activities and giving support to project coordinator for executing the project.
- Monitor project fund based on project proposal and approval by ITTO and project agreement in accordance with ITTO guidelines and procedure as well as prevailed the government regulation
- Provision of counter budget of GOI to support the project activities together with EA include appoint personnel to work in the project
- Prepare and submitting project report to ITTO

The role of Forestry Extension:

- Facilitate executing agency on preparing the material, curriculum and syllabus for training activities.
- Mentoring of the partnership activities
- Participate in the PSC meeting of the project

The role of other stakeholder (local community Forestry/Private sectors) includes:

- a) Implement the activities of partnership
- b) Support information regarding implementation of partnership between farmer group and forest industry
- c) Pilot testing the system with assistance of project experts/consultants.

The role of local government:

- a) Participation in developing management plan
- b) Involvement in training activities
- c) Monitor and evaluate the activities in the field

4.2. Reporting, review, monitoring and evaluation

4.2.1 Project Progress Report.

The first project progress report will be given to ITTO 6 months after project start-up or at least 4 months before the date of the monitoring visits (or Steering Committee meetings) and 2 months before every Council Sessions (in May and November).

4.2.2 Project Completion Report

This will be submitted within three months after Project Completion.

4.2.3 Project Technical Reports.

Project Technical Reports will be prepared for activities where technical results are expected, i.e. the achievements of the Project Outputs.

4.2.4 Monitoring, Review and Steering Committee's Visits.

A Steering Committee will be established, to be appointed by the Minister of Forestry upon proposal from the executing agency. The Steering Committee meeting will be held annually or as necessary. ITTO monitoring visits, if considered still necessary, will be arranged after the achievement of the respective outputs according to the Workplan.

4.2.5 Evaluation

Evaluation will be conducted during the last quarter before completion of the Project.

4.3. Dissemination and mainstreaming of project learning

4.3.1. Dissemination of project results

The results of the project will be disseminated through various strategy such as public consultation, workshop, internet, documents dissemination, and writing article in the ITTO newsletter.

4.3.2. Mainstreaming project learning

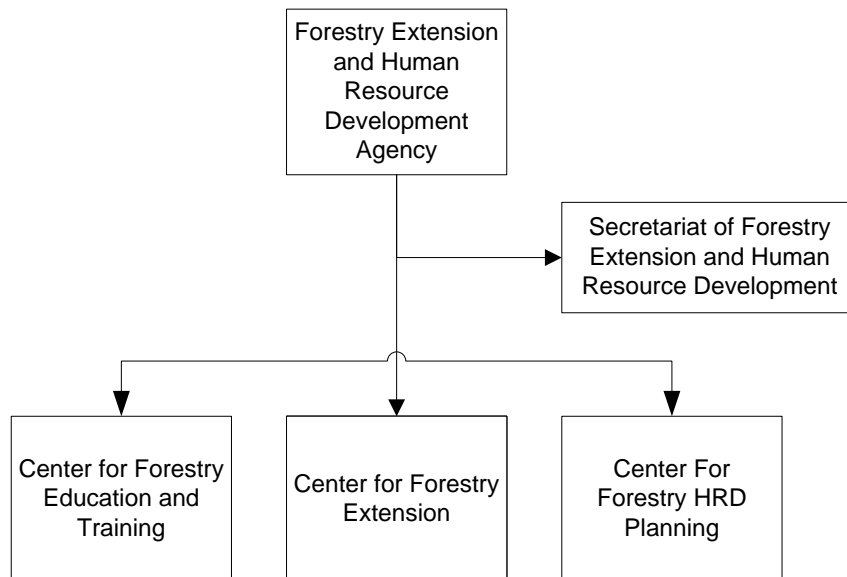
This project will provide a lesson learn on implementing forestry partnership between community forest and forestry industry, community empowerment through cooperative and small business development and policy discussion which is accepted and recognized by all stakeholders.

ANNEX 1

PROFILES OF THE EXECUTING AGENCY

BACKGROUND

Forestry Extension and Human Resource Development Agency, the Ministry of Forestry of the Republic of Indonesia is responsible for activities in forestry extension, training and education and planning human resource development. It consists of three center and one secretariat of the directorate general. The Organization Structure as follows:



The Forestry Extension and Human Resource Development Agency, the Ministry of Forestry main task is to provide rule and regulation, policy, planning, standard operation and technical assistance for the forestry extension and human resource development. **Executing Agency for this Project is under the responsibility Secretariat of the Forestry Extension and Human Resource Development Agency.**

INFRASTRUCTURE AND PERSONEL

Regarding the infrastructure, the Secretariat of the Forestry Extension and Human Resource Development is prepared to carry the project. The office is already connected to a 2 Mbps bandwidth of Internet connection and all staff has each personal computer.

In supporting the capacity of its staff, the Secretariat of the Forestry Extension and Human Resource Development in collaboration with the Center for Forestry Education and Training conducted several training dealing with the sustainable forest management such training for SVLK, community forest, forest inventory, GIS, REDD, sustainable forest management, rehabilitation, administrative matter, etc.

ANNEX 2

TERM OF REFERENCE FOR THE NATIONAL EXPERT

I. PROJECT MANAGEMENT UNIT:

1. Project Coordinator

Qualification:

As a Team/Project Coordinator should have graduate qualification in forest management or natural resource management, and at least 5-year experience in forestry management, forestry extension, and training. Having experience working with community in Java.

Minimum Requirements:

- Team Leadership experience essential
- Familiar with ITTO C&I
- Good knowledge of the Sustainable Forest Management, Cooperative, Community Empowerment and training to achieve SFM including the government legislation
- Experience of training process
- Fluency in English

Responsibilities:

- To organize the meeting for executing the project, including to develop work plan, and to coordinate expert meeting
- To monitor and to evaluate project execution, program and budget implementation
- To coordinate with other institutional concerned
- To make report to ITTO
- To make report to the Executing Agency
- Period of assignment will be 2 (two) years

Duration: 24 months.

Location: Jakarta

2. Position: Financial/administration staff

Qualification and Experience:

Having background in financial works for at least 5 years; ability to speak and write in English, Familiar with ITTO auditing system.

Responsibilities:

Assisting Project Coordinator in project financial matters, evaluate and record the budget related the program execution. Prepare progress report.

Duration of employment: 24 months

Location: Jakarta.

3. Position: Secretary

Qualification and Experience:

Having background in secretarial works at least 3 years, able to speak and write in English, familiar with ITTO project documentation and reporting system.

Responsibilities:

Assist the Project Coordinator on day to day administration activities, filling document, preparing data and draft report outline. Prepare progress report.

Duration of Employment: 24 months

Location: Jakarta

II. Terms of Reference of National Consultants/Experts, Trainers and Sub-contracts

Name/position	Term of Reference	Duration of Employment	Qualification ,time and payment
1. National Consultant / expert	<p>Position: <u>The National expert/ consultant will be assigned to achieve output 1 Activities 1.3 of the project. The consultant must have expertise and knowledge in community forest/institution, forest Partnership Program, community development, education and training as well as policy framework and she/he should have access/network to work with relevant stakeholders at district levels in Java and at least 3 years working in relevant field.</u></p> <p>Responsibilities: <u>the Consultant will be responsible to :(1) analyse and propose partnership workplan between industry and forest farmer group; (2) facilitate discussion among relevant stakeholder in implementation workplan partnership; (3) review implementation of partnership; (4) formulate partnership workplan and implementation with participatory approach; (5) Conduct discussions with key decision makers and relevant stakeholders in the process of consultation; (6) Prepare a result report within the period of assignment. The report and documentation must be presented in project meeting</u></p>	2 months	<p>Qualification, time and payment: <u>Hold at least Master degree and 3-5 years' experience in partnership programme Good understanding in English both oral and written. Sufficient knowledge in situation of eastern part of Indonesia. Consultant will carry out the activity within the time as allocated by the project. Rate of payment is US\$ 2,000 per month</u></p>
2. National Consultant/ expert	<p>Position: <u>The national consultant will be assigned to achieve output 2. Activity 2.2 The expert must have expertise and knowledge in entrepreneurship training for farmer group, forest extension. At least 3 years working in qualified relevant field.</u></p> <p>Responsibilities: <u>the expert will be responsible (1) to prepare training material 2) to develop practical modules for providing operational assistance for extension officers ; (3) to identify training participants; (4) to prepare a technical report is within the period of assignment. The technical report and documentation must be presented in the project meeting.</u></p>	2 months	<p>Qualification, time and payment: <u>Hold at least Master degree and 3-5 years' experience in related field. Good understanding in English both oral and written. Sufficient knowledge in situation of eastern art of Indonesia. Expert will carry out the activity within the time as allocated by the project. Rate of payment is US\$ 2,000 per month</u></p>

Name/position	Term of Reference	Duration of Employment	Qualification ,time and payment
3. National Consultant	<p>Position: <u>The national consultant/facilitators will be assigned to achieve output 2. Activity 2.4 The consultant must be hold expertise and knowledge on forestry business development (forestry entrepreneurship).</u></p> <p>Responsibilities: <u>The consultant will be responsible to : (1) formulate concept of trainings for farmer group on forestry business development (forestry entrepreneurship), (2) analyse and propose bussines development for partnership, (3) To hold intensive dialogue with farmers, (4) motivate farmer group to develop their business, and (5) prepare report is within the period of assignment. The report and documentation must be presented in the project meeting.</u></p>	<u>2 months</u>	<ul style="list-style-type: none"> • <u>Qualification: Hold at least Bachelor degree</u> • <u>3-5 years' experience and have sufficient knowledge in forestry entrepreneurship, farmer group, business spirit, and bussines analysis.</u> • <u>Have experiences in entrepreneurship matter both concept and field practice.</u> • <u>Good understanding in English and Bahasa both oral and written.</u> • <u>Expert will carry out relevant activity within the time as allocated by the project.</u> • <u>Rate of payment is US\$ 2,000 per package</u>
4. National Consultant	<p>Position: <u>The national consultant will be assigned to achieve output 3 . Activity 3.1.The expert must be hold expertise and knowledge in forestr partnership and operating database system; at least 3 years working in relevant field.</u></p> <p>Responsibilities: <u>theconsultant will be responsible (1) To design database system for partnership programme (2) to install and operate database system (3) to prepare a technical report is within the assignment. The technical report and documentation must be presented in the project meeting.</u></p>	<u>3 months</u>	<p><u>Qualification: Hold at least Master degree and 3-5 years' experience on forest partnership programme and IT. Good understanding in English both oral and written. Sufficient knowledge in situation of in Java. Rate of payment 2,000/month</u></p>

Name/position	Term of Reference	Duration of Employment	Qualification ,time and payment
5. National Consultant	<p>Position: <u>The national consultant will be assigned to achieve output 3 . Activity 3.2 .The expert must be hold expertise and knowledge in partnership programme and forestry education & training , at least 3 years working in relevant field.</u></p> <p>Responsibilities: <u>The consultant will be responsible to: (1) asses actual impacts of implemented partnership agreements on the signing parties (2) analyse implementation of partnership agreement, (3) provide recommendation, (4) prepare report is within the period of assignment. The report and documentation must be presented in the project meeting.</u></p>	<u>2 months</u>	<p>Qualification: <u>Hold at least Bachelor/Master degree and 3-5 years' experience on partnership programme, community forestry and forestry extension. Good understanding in English both oral and written. Sufficient knowledge in situation of in Java. Rate of payment 2,000/month</u></p>
6. National Consultant	<p>Position: <u>The national consultant will be assigned to achieve output 3 . Activity 3.4, in conducting review and evaluating partnership's policy at national and local level. The consultan must be hold expertise and knowledge in partnership programme, legal document, forest extension, and community forestry at least 3 years working in relevant field.</u></p> <p>Responsibilities: <u>The consultant will be responsible to : (1) review and analysis of partnership scheme and MoU on partnership activity, (2) contribute input in partnership scheme and MoU (3) to analyze and propose reccommendation on incentive-disincentive mechanism for optimal implementation of partnership; 4) prepare report is within the period of assignment. The report and documentation must be presented in the project meeting.</u></p>	<u>2 months</u>	<p>Qualification: <u>Hold at least Bachelor/Master degree and 3-5 years' experience on partnership programme, community forestry and forestry extension. Good understanding in English both oral and written. Sufficient knowledge in situation of in Java. Rate of payment 2,000/month</u></p>

III. Sub-contracts

1. Activity 1.1: To conduct 4 workshops on the operationalization of FMD No. 39/2013. In close consultation with the Project Coordinator, each Contractor should undertake the following tasks:
 - To develop a workplan for implementation of the workshop establishing outcomes to be achieved, approach to be pursued, criteria for selection of speakers and participants, venue and date, logistical arrangements, associated budget, reporting and evaluation.
 - To secure NOL of ITTO and form the Steering and Organizing Committees.
 - To prepare and disseminate materials for the workshop.
 - To execute the workshop.
 - To report on the implementation of the workshop.

2. Activity 2.2: To develop 4 practical modules for providing operational assistance by extension officers. In close consultation with the Project Coordinator and MOEF Center for Education and Training, the Contractor are to accomplish the following tasks:
 - To develop a workplan for execution of the activity, establishing expected outcomes, approach to be adopted, content of the modules, criteria for selection of extension officers, associated budget and reporting.
 - To draft the practical modules involving experienced professionals.
 - To review the modules involving experienced academes, practitioners and extension officers.
 - To pilot test application of the modules.
 - To improve the modules based on review and pilot test results.
 - To publish and disseminate the modules.
 - To report on the implementation of the activity.

3. Activity 3.1: To install and operate database system of forestry partnership in 4 districts. In close consultation with the Project Coordinator, the Contractor shall undertake the following tasks:
 - To develop a workplan for implementation of the activity.
 - To held discussion with user on configuration of database system and develop a system design accordingly.
 - To identify and install needed equipment and facilities.
 - To pilot test operation of the system and make necessary improvements.
 - To develop SOP for operation of the system.
 - To train operators.
 - To report on the implementation of the activity.

4. Activity 3.3: To conduct 4 training workshops on development of M&E Plans. In close consultation with the Project Coordinator, the Contractor shall undertake the following tasks:
 - To develop a workplan for implementation of the activity.
 - To develop a model M&E plan involving experienced professionals.
 - To review the model involving MOEF Center for Education and Training extension officers, academes and practitioners.
 - To organize 4 training workshops each with 25 participants.
 - To improve the model of M&E Plan.
 - To publish and disseminate the model.
 - To report on the implementation of the activity.

**ANNEX 3. RECOMMENDATIONS OF THE 51ST EXPERT PANEL AND THE RESPECTIVE
MODIFICATIONS MADE**

No	Recommendations	Modifications made	Loci of modifications
1.	Revise the budget for ITTO ex-post evaluation to USD 10,000. Increase the budget contribution of Indonesian Government to at least 10%	The budget for ex-post evaluation has been increased from USD 8,000 to USD 10,000 and contribution of GOI increased from USD 15,980.00 to USD 63,500.00	The budget had been revised, See Table 3.4.1, page 21, table 3.4.2 page 22-23, table 3.4.3 page 25 and table 3.4.4 page 26, also in project brief page iii and cover page.
2.	Add TORs for all Sub-contracts	TORs for all Sub-contracts have been added	See Annex 2 Part III