

# Factors influencing CFEs towards to Community Prosperity: Indonesia case



**Christine Wulandari – FKKM Indonesia  
CSAG, Asia Focal Point**

Presented in Lima, Peru  
on 53<sup>rd</sup> ITTC, December 1, 2017

# Social Forestry Program and CFEs

- Indonesia has Social Forestry program that implemented through Community Forestry Program, Village Forest, HTR (*Hutan Tanaman Rakyat* or Community Forest Estate), Partnership, Customary Forest and Private Forest.
- Social Forestry Target up to 2019 is 12.7 hectares but will be achieved 4.39 hectares or around 5 hectares (Ministry of Environment and Forestry, 2017). Community is struggling to increase their income even their permit has no formalized yet.
- BUMN (Forest State Companies) and other private sectors should interest for having Wood and Non Wood Products partnership through Community Forest Entrepreneurship (CFE). For example: Nov 2017 - PT Perhutani in East Java has partnership program for 1,500 ha (Rp 92.3 Billion). How about other locations? It has no good develop yet. Why?

# Factors influencing CFEs

## 1. **Policy :**

- Ministry of Forestry Decree No. P.35/Menhut-II/2007 about Non Wood Forest Products – gaps on various commodities, these are not mentioned even has already manage and sell by community, example coffee
  - Needs addendum or revise this policy because all NWFP needs formal policy as a basis to proper manage and go to legal markets

## 2. **Capacity building**, for example entrepreneurs skill, products diversification

## 3. **Market links (networks)** – local, national and global

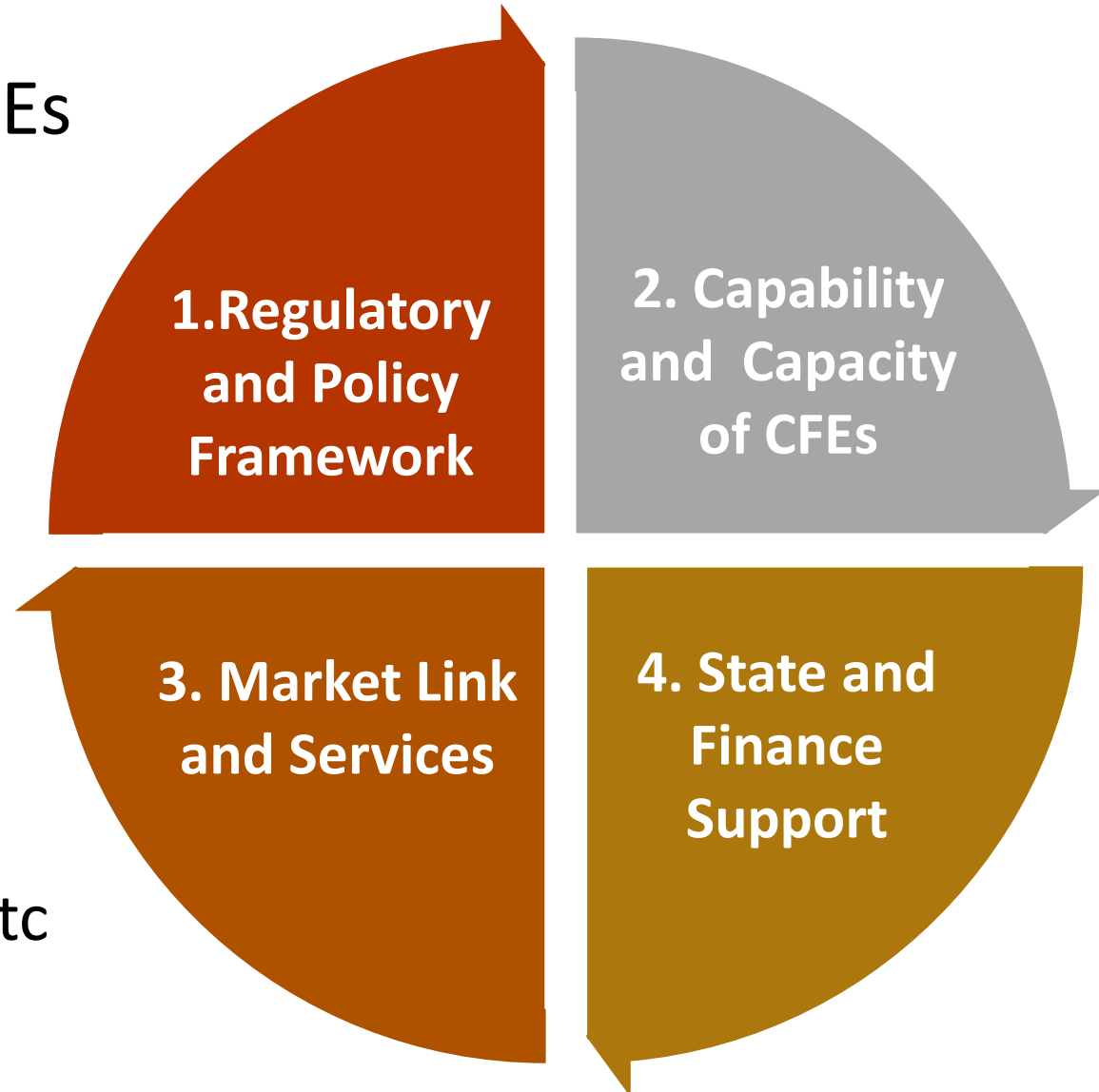
- No 2 and 3 based on Ministry of Environment and Forestry No P.66/MenLHK-setjen/2015, those are must be facilitated by government but up to now there has no conducted properly yet

## 4. **BLU (*Badan Layanan Umum* or **Public Services Agency**)** as formal government' finance institution on supporting of community entrepreneurship must be progressive on program implementation such as go to forest community groups directly

## Factors influencing CFEs

To help overcome CFEs constraints priority actions are needed from key players:

- government,
- community forest enterprises,
- private sector,
- civil society:  
Universities, NGOs etc



THANK YOU

