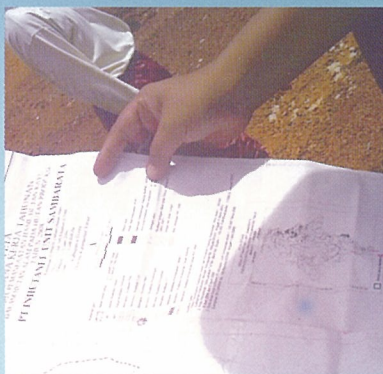
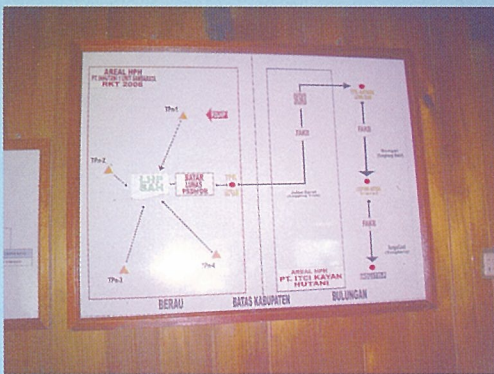


# REPORT

## TRAINING ON THE APPLICATION OF INTERNAL MONITORING PERFORMANCE GUIDELINES (IMPG): EVALUATION OF ITS IMPACTS ON SUSTAINABLE MANAGEMENT OF PRODUCTION FOREST AT FOREST MANAGEMENT UNIT LEVEL



ITTO PD 389/05 REV. 2 (F)

Application of the Internal Monitoring of SFM Performance at Forest Management Unit Level

Jakarta, Desember 2008

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**TRAINING ON THE APPLICATION OF  
INTERNAL MONITORING PERFORMANCE GUIDELINES (IMPG):  
EVALUATION OF ITS IMPACTS ON SUSTAINABLE MANAGEMENT OF  
PRODUCTION FOREST AT FOREST MANAGEMENT UNIT LEVEL**

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**ITTO PD 389/05 REV. 2 (F)**

**Application of The Internal Monitoring of SFM Performance at Forest Management Unit Level**

revision of Standard Operating Procedures, improvement of methods, target, process and work plan, although these have not been fully performed. As regards the indicators of implementation process and output achieved in PHPL, their changes were difficult to detect since implementation of the training results is under way or just in the planning stage.

7. The LPI has conducted two stages of performance evaluation involving 19 MUs that had participated also in the IMPG training. The LPI found that seven MUs experienced unchanged performance, five MUs experienced decreasing performance, while seven MUs experienced increasing performance. This condition indicated that the impacts of IMPG training on the improvement of performance in achieving PHPL at MU level could not be easily detected due to the short time lapse between the IMPG training and the second stage of the evaluation. Moreover, implementation of IMPG has not been structurally included in MUs work program which needs careful planning.

Based on the results of the evaluation following are relevant recommendations:

1. It is necessary to define indicators for evaluation of performance based on the silviculture system applied by MUs, such as those systems for natural forests on dryland and wetland as well as on plantation forests.
2. Many key problems in achieving PHPL were beyond the control of MUs, e.g. legal assurance of working area and boundary marking; and social problems like illegal logging and shifting cultivation. Therefore, verifiers of the indicators of the aforementioned issues are best confined only to measuring performance whose achievement process is under the control of MUs. In this manner, MUs are not burdened with performance issues that beyond their control.
3. It is strongly recommended that the Ministry of Forestry establishes a permanent unit of organization within the Ministry, specifically assigned to handle forestry related conflicts; personnel of this unit must represent the main stakeholders.
4. As regards laws and regulations, the Central and Local Governments have to be strong, consistent and harmonical such that MUs could enjoy legal and working area assurances.
5. Considering the different educational and occupational background amongst the Local Government officers and personnels in charge of forestry related activities, there is a need for the Central Government to intensify socialization and orientation of Local Governments and NGOs regarding PHPL as well as laws and regulations governing forest resource management.
6. In order IMPG to be beneficial and recognizable, it is strongly recommended to link this scheme to other mandatory programs to avoid overlapping of existing policies.
7. The alumni and management of MUs feel that they are still facing problems in the application and internalization of the results of IMPG training as the routine activity in the field. For this reason, there is a need to continue the training focusing on technical matters, such as monitoring, reporting, mapping, SOP development, including technical manuals for individual MUs activities. The MUs also expect that APHI shall play bigger role in bridging the Central and Local Governments with MUs through training programs and assistance in PHPL. In implementing the training and assistantship programs APHI can collaborate with credible national and international NGOs.\*\*\*

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# GLOSSARIES

ANDAL	Environmental Impact Analysis
APIHI	Association of Indonesian Forest Concessionaires
BAPLAN	Forestry Planning Agency
BP2HP	Office of Monitoring the Utilization of Production Forest
BPHA	Management of Natural Forest Development
Dephut	Ministry of Forestry
Ditjen BPK	Directorate General of Forestry Products Management
FSC	Forest Stewardship Council
IMPG	Internal Monitoring Performance Guidelines
ITCI	International Timber Corporation Indonesia
ITTO	International Tropical Timber Organization
JPL	Learning Hour Unit
LEI	Indonesia Eco-label Institute
LPI	Independent Assessor Body
LSM	Non-Governmental Organization
m dpl	Meter above sea level
Monev	Monitoring and Evaluation
NGO	Non-Governmental Organization
P3K	First Aid on Accident
PD	Project Document
Pemda	Local Government
PHAPL	Sustainable Management of Natural Production Forest
PhD	Philosophy Doctor
PHPL	Sustainable Management of Production Forest
PMDH	Community Development nearby Forest
PMU	Project Management Unit
RKL	Environment Management Plan
RKT	Annual Work Plan
RPL	Environment Monitoring Plan
RTL	Follow-up Action Plan
SAR PATIM	Sarmiento Parakantja Timber
SDM	Human Resource
SEL	Environment Evaluation Study
Setjen	Secretary General
SFM	Sustainable Forest Management
SOP	Standard Operating Procedures

TNC  
UM  
UPT  
UU  
WWF

The Nature Conservancy  
Management Unit  
Technical Implementing Unit  
Law  
World Wide Funds for Nature

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# 1. INTRODUCTION

## 1.1. BACKGROUND

Sustainable management of natural production forests in Indonesia is imperative. Although the existence of tropical forests is essential to the global ecosystem balance, their quality and quantity, in fact, have decreased significantly. Such condition is the result of an unwise, intensive utilization of the forests since the 1970s as to date.

The number of Management Unit (MU) of forestry companies recorded by the Directorate of Natural Forest Management (BPHA) by 2008 was 305. In order to acknowledge their performance, the MUs have to be periodically evaluated. By 2007, performance of 143 MUs in Sustainable Management of Natural Production Forest (PHPL) had been evaluated and 74 MUs had received certificate through a mandatory scheme covering forest area of around 7.5 million ha (Directorate of BPHA, 2008) or 24% of the total area of production forest. On the other hand, the number of the MUs that had received the certificate of Sustainable Management of Natural Production Forest through the Voluntary Certification Scheme was 6, or less than 2%.

Efforts to encourage the achievement of Sustainable Natural Production Forest Management have been carried out simultaneously by both Governmental and Non-Governmental Organizations. Among the efforts were the implementation of the ITTO Projects PD 42/00 Rev. 1 (F) and PD 389/05 Rev. 2 (F). ITTO Project PD 42/00 Rev. 1 (F) in 2003 found that there were two main factors causing the slow achievement of Sustainable Management of Natural Production Forest at the MU level in Indonesia:

- Lack of trained professionals knowledgeable about the internal monitoring system of PHPL performance, and
- Weak implementation of the internal monitoring system of PHPL performance by MUs.

Based on above conditions, the Internal Monitoring Performance Guidelines (IMPG) at MU level were developed by ITTO Project PD 42/00 Rev. 1 (F), and improved by ITTO Project PD 389/05 Rev. 2 (F).

Furthermore, ITTO Project PD 389/05 Rev. 2 (F) has spread the cognizance of IMPG to the forest managers and Government staffs through the training package called "Training on the Application of IMPG for PHPL". In total, 8 training sessions had been completed, 5 sessions in East Kalimantan, 2 sessions in Central Kalimantan, and 1 session in West Kalimantan, respectively.

The total number of trainees was 226 persons:

1. 205 persons representing 121 MUs
2. 18 persons representing forestry related organizations at the Provincial and Regency levels, and
3. Three persons from consulting companies.

Consequently, an evaluation of the training impacts on PHPL performance at MU level is needed.

Conceptually, a complete set of training should be normally arranged at 4 sequences of activity: need assessment, planning, implementation, and evaluation. The objective of the training need assessment was to identify training participants and the materials that suit the participants. The training is to be planned, prepared, and implemented in accordance with the results of the training need assessment. After the training has been completed, an ex-post evaluation following the training is needed for detecting the impacts of the training on the performance of the participants in doing their jobs within their respective organizations.

In relation to the training on the application of IMPG for PHPL under ITTO Project PD 389/05 Rev.2 (F), an evaluation of the training impacts was needed for discovering the benefits to the participants and the employing MUs. Subsequently, the evaluation results were expected to be useful as an input for future decision making.

## **1.2. EVALUATION OBJECTIVES**

The objectives of the evaluation are:

1. To assess status of the application of IMPG along with their supporting factors and constraining factors.
2. To identify the effectiveness level of the training measured using training impacts on the achievement of PHPL.
3. To use the result of the training as the basis for making recommendations for the improvement of PHPL performance at MU level. \* \* \*

## 2. APPROACH AND METHODOLOGY

The approach and methodology used in the IMPG Training Impact Evaluation were based on the evaluation objectives described in Chapter 1. For this reason, any relevant information regarding changes in performance of the MUs was identified. The assumption used is that any MU has to make changes internally in order to respond to the new policy of the Government and to the increased capacity of individuals assuming critical position in forest management processes. IMPG training alumni normally assume important operational position and must be considered as an agent of change in terms of increased MU performance to achieve PHPL. Response of a MU to training result will depend on the level of comprehension of the trained alumni of the training substance and how they communicate the results with the decision makers at the higher level in the MU organization.

However, the formal and structured change in the management must follow some processes and steps that will not happen instantly, or at least must follow some processes that are related to the work planning arrangement and annual budget of the company. On the other hand, it is possible to make adjustments promptly to technical and operational matters while adjustment to formal policy aspect in the internal management should follow the standardized process in the MU. The degree of change occurring in the MU depends on the existing condition in terms of performance in the achievement of PHPL. Therefore, collection of information that will be used to evaluate the impacts of the IMPG training was carried out using 3 approaches:

1. Circulating one set of questionnaires to all alumni.
2. Visiting selected MUs directly according to their representativeness of performance in PHPL and ease of access.
3. Collecting the information on the result of MUs performance evaluation under mandatory certification scheme of the Ministry of Forestry, that was performed by independent party (LPI).

The sources of information explored in this evaluation process, included:

1. The individual alumni of IMPG training,
2. Higher level of decision makers employing the alumni,
3. MU documents,
4. Actual field implementation, and
5. The report of the MU performance evaluation result under the mandatory certification scheme of the Ministry of Forestry by an independent party.

A set of questionnaires was sent to all of the training alumni. While direct visits to 5 MUs were made to:

2. One MU that was rated "bad" in the previous performance evaluation result under the mandatory certification scheme, in the Province of East Kalimantan,
3. Two MUs that were rated "average" in the previous performance evaluation result under the mandatory certification scheme, in the Provinces of East and Central Kalimantan, and
4. One MU that was rated "good" in the previous performance evaluation result of the mandatory certification scheme, in the Province of East Kalimantan.

The questionnaires were arranged in such a way in order to collect information on:

1. Level of comprehension about the training materials in terms of actual problems facing MUs and about basic principles of SFM, distinction between IMPG standard and other standards, perception about operational easiness of IMPG standard.
2. Follow-up actions by MUs to the result of the training including: internal socialization process, various responses to the result of the training, formation or strengthening of divisions for monitoring and evaluation.
3. Application of IMPG indicators in the field: targets, obstacles, suggestions for standard improvement at the indicator or verifier level.
4. Perception on the need for cooperation with other parties in applying IMPG to achieve PHPL.
5. Perception on inhibiting and supporting factors to achieve PHPL.
6. Inputs to improve materials/subjects for similar future training.

The field visit in this evaluation was focused more on obtaining a picture of internalization process and adoption of training results into forest management process by the MU, rather than on the resulting changes of performance. It was realized that the expected changes, as the consequence of training result, would follow a unique process according to individual MU organizations, which normally take a long period of time. For that reason, the resulting change of performance, as the consequence of training implementation, may not be obvious during the first field visit, when the period between the training and the evaluation process was not long enough.

The focus arrangement of field visit in the internalization process of the training result was caused by the following technical reasons as well:

1. The limited time made it impossible for the team to observe all the evaluation indicators,
2. The performance evaluation that has been executed by LPI in two periods using the same standards, that the results were comparable.
3. The baseline information of MU performance based on IMPG standard had never been collected before, that it is uncomparable.

Besides understanding the internalization process mentioned above, the obstacles in implementing the training results were also discussed during the field visit. Both critics and suggestions on unclear or irrelevant indicators and verifiers were also discussed with the relevant field operators.

It provided an invaluable information for improvement of future training implementation and its substance.

Information on the change of MU performance was obtained from the report of LPI under certification scheme of the Ministry of Forestry. The information from the evaluation report of mandatory certification of the Ministry of Forestry could be used as an input for discussing changes in the MU performance in terms of IMPG training evaluation, because:

1. The mandatory certification standard was one of the sources used for synthesizing IMPG standard,
2. The mandatory certification result on the first stage that was done before the IMPG training was comparable with the certification result on the second stage after the training, because they used the same standard,
3. The evaluation by LPI has no conflict of interest, compared with the evaluation by the team of ITTO Project PD 389 who participated in the training.

The data collected from the questionnaire answers, the field visit result, and the result of LPI report were analyzed descriptively by using tables to elucidate linkages between the various aspects of the evaluation of IMPG training. The issues presented in the tables were categorized to ease the analysis because different respondents might provide different responses to express the same intention. \* \* \*





# 3. TRAINING IMPLEMENTATION

## 3.1. PROJECT ORGANIZATION

### 3.1.1. The Project's Name & Activities

Name of Project : Internal Monitoring Performance Guidelines

Serial No. : PD 389/05 Rev.2 (F)

Activities : Training on the Application of Internal Monitoring Performance for Sustainable Management of Natural Production Forests

Executing Agency : Lembaga Pengembangan Sumber Daya Manusia IPB (LPSPDM IPB)

Date : November 2007- June 2008

### 3.1.2. Objectives and Outputs of the IMPG Training

The objectives of the Training on the Application of IMPG for PHPL were:

1. To provide MUs with knowledge, skills, and attitude to apply the IMPG in order to achieve SFM,
2. To prepare MUs for being able to develop internal evaluation system (participatory appraisal)

The expected outputs were:

1. The participants will be able to develop work plan that could be implemented in the field as a tool for internal monitor of SFM performance.
2. The MUs will be able to improve their performance in order to achieve SFM.

## 3.2. REALIZED TRAINING ACTIVITIES

### 3.2.1. Organization

Implementataion of the training was organized by the project executing committee involving resource persons and facilitators according to their respective expertise.

### 3.2.2. Training Executing Committee

The training executing committee was a project Management Unit under ITTO project PD 389/05 Rev. 2 (F) that consisted of:

1. Lasmini (Coordinator),
2. Siti J. Nooryasyini (Secretary),
3. Irebella Siswondo (Treasury),
4. Riena Widiyanti Aziz (Assistant of Training Coordinator), and

and practitioners having experience as resource persons and facilitators in forestry field, particularly as related to PHPL, personal development, and group dynamics. Names and expertise of the resource persons and facilitators are presented in Table 1.

Table 1. Resource Persons/Facilitators By Expertise

NO.	NAME	EXPERTISE
1.	Alan Purbawiyatna Senior Consultant/SFM Trainer	<ul style="list-style-type: none"> <li>• IMPG (Internal Monitoring Performance Guideline) ITTO PD 389/05 Rev. 2 (F)</li> <li>• Criteria and an Indicators of IMPG of ITTO Project PD 389/05 Rev. 2 (F), Long Term Management Planning for Production Forest</li> <li>• Facilitator of Field Practice in Forest Production</li> </ul>
2.	Akhmad Director PT. Ayamuru Bakti Pertiwi, Bogor	<ul style="list-style-type: none"> <li>• Criteria and Indicators of IMPG of ITTO Project PD 389/05 Rev. 2 (F) Ecology/ Environment Aspect</li> <li>• Facilitator of Field Practice in Ecology</li> </ul>
3.	Haryanto R. Putro Lecturer of Forest Resources Conservation Faculty of Forestry of IPB Bogor	<ul style="list-style-type: none"> <li>• Sustainable Management of Production Forest</li> <li>• Evaluation of SFM performance</li> </ul>
4.	Lukman Yunus Lecturer of Haluoleo University Kendari –South East Sulawesi	<ul style="list-style-type: none"> <li>• Criteria and Indicators of IMPG of ITTO Project PD 389/05 Rev. 2 (F), Social Aspect</li> <li>• Facilitator of Field Practice in Social Forestry</li> </ul>
5.	Jen Z.A Hans, PhD Personal Development Trainer	Personal Development
6.	Prof. Dr. Soeyitno Soedirman Lecturer of Faculty of Forestry, Mulawarman University, Samarinda	SFM Policy
7.	Taufiq Alimi Executive Director Lembaga Ekolabel Indonesia	<ul style="list-style-type: none"> <li>• Monitoring and Evaluation Procedures and Technics</li> <li>• Development of Follow-up Action Plan</li> <li>• Facilitator of Practice in Follow-up Action Plan</li> </ul>

### 3.3. SESSIONS AND LOCATION OF THE TRAINING

Training on Implementation of IMPG has been organized in 8 sessions in 3 provinces namely East, West and Central Kalimantan. The criteria used in the selection of location were accessibility and availability of MUs to conduct field practice.

Frequency of training implementation were: 5 sessions in East Kalimantan, 2 sessions in Central Kalimantan, and 1 session in West Kalimantan. Details of the training locations and origin of trainees are as follows:

1. Session I at PT. ITCI Kartika Utama, East Kalimantan, attended by participants from MUs in Sulawesi, Maluku, and Papua
2. Session II at PT. Gunung Gajah Abadi, East Kalimantan, attended by participants from MUs in East Kalimantan

3. Session III at PT. Sarpatim, Central Kalimantan, attended by participants from MUs in Central Kalimantan
4. Session IV at PT. Suka Jaya Makmur, West Kalimantan, attended by participants from MUs in West and Central Kalimantan
5. Session V at PT. Balikpapan Forest Industries, East Kalimantan, attended by participants from MUs in East and South Kalimantan
6. Session VI at PT. Balikpapan Forest Industries, East Kalimantan, attended by participants from MUs in East and South Kalimantan, Papua, Maluku, and Sulawesi
7. Session VII at PT. Hutan Mulya, Central Kalimantan, attended by participants from MUs in Central and West Kalimantan
8. Session VIII at PT. ITCI Kartika Utama, East Kalimantan, attended by participants from MUs in East, West, and Central Kalimantan, Papua, Sulawesi, Maluku, and Sumatera

The number of participants trained was 226, comprising 205 from 121 MUs, 18 from the Government Staffs (Provincial and Regency Forestry Committees, BP2HP, Secretary General of the Ministry of Forestry), and 3 from consulting firms. The participants trained in the 8 sessions have represented MUs of all regions having a wide range of SFM performance.

Majority of the participants were from MUs in East Kalimantan (37%), Central Kalimantan (25%), West Papua (10%), West Kalimantan (8%), Papua (6%), North Maluku (3%), Central Sulawesi (3%), Maluku (2%); South Kalimantan, West Sumatera, North Sulawesi, South East Sulawesi, and South Sumatera 1% each.

The result of performance evaluation under the mandatory scheme indicated that the number of participants from MUs with "good" performance was 4%, with "average" performance 28%, with "bad" performance 15%, and the remaining MUs (53%) have not been evaluated or result of the evaluation have not been made available. While the number of participants from MUs who have undergone voluntary certification by FSC and LEI was 2 MUs. The number of participants from MUs that has been trained/tutored by TFT/TFF/TNC/WWF towards SFM was 21 MUs, majority of whom have obtained an "average" performance level based on the result of mandatory certification.

### **3.4. TRAINING MATERIALS**

#### **3.4.1. Pre and Post Tests**

Before the training session was started, the resource persons handed out a sheet of Pre face to face activity that had to be filled in by the participants. It was intended to identify knowledge level of the participants related to the teaching materials. In the final session, on the other hand, the resource persons gave an evaluation assignment in a questionnaire form related to the materials that had been introduced during the training.

#### **3.4.2. Training Materials/ Sessions**

The materials were addressed by the resource person and facilitators in accordance with pre-arranged training schedule. The training used adult teaching methods for (andragogy) which consists of theory, practice, simulation and games, in order to achieve the desired general and specific instructional objectives.

The training materials were divided into Learning Hour Unit (JPL), where 1 JPL was 45 minutes in duration; total JPL for the entire training, which was 7 effective days, was 70 JPLs. Every day, the

performed. Besides being given the materials in class, the trainees also carried out practical works in the field that would enable them to undertake an evaluation of internal monitoring. In the field practice activity, the trainees were divided into 3 working groups based on their preferences and specialties in their respective MUs. The working groups consisted of group of production, ecology, and social aspects.

Each group was given a practical assignment and a trial of criteria and indicators that would be used for evaluating the MUs hosting the fieldwork. Several criteria and indicators that have been tested during the fieldwork are presented in the attachment.

In the last training session, the trainees had the opportunities to practice on the formulation of a Follow-up Action Plan (RTL) for their respective MU. The Action Plan which has been formulated would be implemented and used as a tool for monitoring and evaluating the internal performance.

The complete materials handed out in each training class are presented in Table 2:

Table 2. Training Materials

NO.	SUBJECT	JPL	FACILITATOR	EXPECTED OUTCOMES
1	Ice Breaking	2	Jen Z.A Hans, PhD	Introducing each other selves and getting acquainted
2	Spiritual Intelligence	2	Jen Z.A Hans, PhD	One- self potential spiritually recognized and revealed
3	Sustainable Forest Management Policy	2	Prof. Dr. Soeyitno Soedirman	The forestry policy and regulation and their implications on SFM and MUs explained
4	Sustainable Management of Production Forest	3	Haryanto R. Putro	Strategies for achieving SFM through PHPL certification to gain market recognition for SFM in the long term elaborated
5	Evaluation of SFM Performance Evaluation of SFM Performance	4	Haryanto R. Putro	The objectives and benefits of PHPL, performance evaluation and comprehension of PHPL certification system explained
6	IMPG of ITTO Project PD 389	3	Alan Purbawiyatna Haryanto R. Putro	The processes and objectives of IMPG implementation explained; The benefits of implementing IMPG explained; IMPG at MU level implemented
7	SFM Standards as a reference for Internal Monitoring Arrangements:	~	Haryanto R. Putro	Standard indicator-verifier into MU work plan transformed; The rational indicators of achievement (volume, location, time) determined; The internal monitoring system designed, The gap between standardized and actual achievement identified
	A. Assured Long-term Forest Management	4	Alan Purbawiyatna	Long-term forest management plan that considers forest allocation for production, ecology, and social functions developed and implemented

NO.	SUBJECT	JPL	FACILITATOR	EXPECTED OUTCOMES
	B. Production Forest Management Aspect	3	Alan Purbawiyatna	The relationship between components of production forest subsystem (inputs, facilities, process, outputs, control) explained; An efficient and environmentally friendly harvesting system, change of custody, and forest management as a reinvestment implemented
	C. Ecological/Environmental Aspect of Forest Management	3	Akhmad	The relationship between components of ecological aspect of forest subsystem (inputs, facilities, process, outputs, control) explained; The principle of ecological aspect, arrangement of procedures explained; Preventive activities, environmental impact mitigating measures implemented and documented
	D. Social and Company's Health Aspects of Forest Management	3	Lukman Yunus	The relationship between components of social aspect of forest subsystem (inputs, facilities, process, outputs, control) explained; The principles for arrangement of procedures on social aspect and the necessary procedures for accomplishing sustainability of social function implemented; Indicators of company's health aspect implemented
8	Monitoring and Evaluating Techniques	4	Taufiq Alimi	Technical indicators and evaluating activities towards SFM implemented
9	Participatory Appraisal (PA)	4	Taufiq Alimi	PA techniques at each MU implemented
10	Benchmark Designation	3	Taufiq Alimi	The major target or objective that must be achieved through SFM implementation explained
11	Data Collection	4	Alan Purbawiyatna Akhmad Lukman Yunus	Data collection techniques on the aspects of permanent forest estate, production, ecology, social, and company's health implemented
12	Work Planning and Field Team Organization	3	Alan Purbawiyatna Akhmad Lukman Yunus	A work plan developed and implemented
13	Field Practice	8	Alan Purbawiyatna Akhmad Lukman Yunus	Self-assessment procedures on the performance of individual fields implemented
14	Reporting	6	Alan Purbawiyatna Akhmad Lukman Yunus	A report from practice result in each field documented; The activities in accordance with the principles of completeness, conformity, legality, validity, that could be verified in the field reported
15	Presentation	4	Alan Purbawiyatna Akhmad Lukman Yunus	The report that has been prepared based on result of field work presented

	Plan for Monitoring and Evaluation			<p>Plan for monitoring and evaluation applied;</p> <p>A Follow-up Action Plan for improving performance towards SFM that could be monitored and evaluated continuously developed;</p> <p>A Follow-up Action Plan to improve performance towards SFM that could be monitored and evaluated over time executed</p>
<b>TOTAL JPL</b>		<b>70</b>		

## 4. EVALUATION OF TRAINING IMPACTS

As discussed in the previous chapters, training on Internal Monitoring Performance Guidelines (IMPG) under ITTO Project PD 389/05 Rev. 2 (F) is part of continued effort of the Government of Indonesia, in cooperation with ITTO, to accelerate the achievement of Sustainable Forest Management (SFM) at MU level.

The training was also a response to the main findings of ITTO Project PD 42/00 Rev. 1 (F), which documented two major causes of the slow progress in the achievement of sustainable production forest management (PHPL) at Forest Management Unit level in Indonesia, which were: i). lack of trained professionals who are knowledgeable about internal monitoring system of PHPL performance; and ii). weak implementation of internal monitoring system of PHPL performance by MUs.

The training had been conducted in the period from November 2007 to June 2008, with a total number of participants of 226 from 121 MUs. The participants consisted of 205 trainees from MUs, 18 from the Government Staffs (Provincial and Regency Forestry Committees, BP2HP and Secretary General of the Ministry of Forestry) and 3 trainees from consulting firms. As a follow-up to the training, in September-November 2008, an impact evaluation of the training on IMPG has been conducted to see the progress in the achievement of PHPL by MUs.

The evaluation objectives were:

1. To discover the status of IMPG implementation by MUs, supporting factors and obstacles.
2. To identify the effectiveness of the training in improving the performance of PHPL
3. To make recommendations based on the result of the evaluation for improving the PHPL performance at MU level.

The sources of information used in the training impact evaluation were:

1. Questionnaire answers that were sent out to 205 trainees of 121 MUs,
2. Results of the field visit to 5 MUs: 1 MU in the Province of West Kalimantan, 2 MUs in Central Kalimantan, and 2 MUs in East Kalimantan,
3. The results of performance evaluation of MUs that had been conducted by LPI under the mandatory certification scheme of the Ministry of Forestry.

Not all of the questionnaires sent out to the training alumni at MUs were returned to the evaluating committee. Out of 205 questionnaires sent out to the alumni, only 59 (29%) were returned; in terms of MUs, 50 (41%) out of 121 MUs returned the questionnaires. In addition, the LPI report on the results of the second phase of performance evaluation, could not be fully utilized because the report had not been officially released by the Ministry of Forestry, even though result of the evaluation were available with the Directorate of BPHA, the Ministry of Forestry.



## **4.1. LEVEL OF IMPG IMPLEMENTATION, SUPPORTING FACTORS AND CONSTRAINTS**

IMPG implementation in this evaluation should be understood as the extent to which MUs had carried out activities or had met the conditions required by the norms at different levels for each of IMPG indicators. Basically, the conditions required by the norms are the target or benchmark that can be determined by MUs in order to improve their performance to a certain level. By providing inputs and carrying out the process required by individual verifiers, level of performance specified in the norms can be achieved.

### **4.1.1. Assurance for Long-term Forest Management and Production Aspects**

Generally speaking, MUs have implemented most of the activities or have provided the necessary inputs for achieving sustainable forest management, as shown in the summary of the questionnaire answers (Attachment 1).

However, the answers to the questionnaires deserve comments at this junction based on the clarification made during the field visit, as follows:

#### **a. Progress in Boundary Marking of MUs Working Area**

The answer to the questionnaires concerning the Progress in Boundary Marking (verifier of indicator 1.1.) about the assurance of working area of MUs indicated that 64% of respondents had completed it. However, observation in the field showed that this verifier needs further verification. It should be noted that arrangements of boundary marking are not fully under the control of MUs as it must be implemented by the Boundary Arrangement Committee headed by Regent/Mayor. Minutes of boundary marking are prepared and signed by Boundary Arrangement Committee. MUs obligation is to apply for boundary marking arrangement and to pay for associated expenses. Therefore, if this verifier is to be used as a measurement of MUs performance, it has to be confined only to those activities that are fully controlled by MUs and shall not be applied to cover the actual full progress made in boundary marking. The Boundary Arrangement Committee is required to carry out boundary marking activity in accordance with the procedures of forest area designation set by the Ministry of Forestry.

#### **b. Development of Forest Management Plan**

In developing forest management plan, identification of land areas that overlap customary rights/social interest had been accomplished 58% (Second Verifier, Indicator 1.2.).

This could happen for two possible reasons:

1. The MU area did not overlap with any land used by local communities or with customary land,  
or
2. The MU had not considered any overlapping land area in its forest planning exercise.

Observation during the field visit indicated that MUs had not fully understood the substance of the verifier and its technical identification in the field. Moreover, problem associated with overlapping land area could not be resolved as no mutually agreed upon reference that could be used as the basis to stand on. This has resulted in the exclusion from planning process of the land area utilized by local communities inside the MUs area. Similarly, in the Standard Operating Procedures of forest planning

by MUs, identification procedures for overlapping land areas are not integrated in neither for annual forest management plan nor for long-term plan.

### **c. Sufficiency of Human Resources**

Sufficiency of qualified human resource (first verifier Indicator 2.1) reached 58%. This indicated that MUs had difficulties in meeting the qualifications of needed human resource. Discussions with MUs during the field visits showed that there were at least two major causes:

1. Investment in the form of new recruitment could not be freely realized due to the low capacity of the companies resulting from the weakening forestry business,
2. Lack of technical training by the Government for improving capacity of individual employees of MUs. At present, unlike in the past, APHI is also not able to facilitate organization of this kind of training.

### **d. Monitoring and Evaluation have not been Functioning**

Monitoring and evaluation of implementation of work guidelines have not yet become part of the forest management system applied by MUs. Only 50% of the MUs had both carried out evaluation of implementation procedures and provided feed back (Verifier on evaluation and feed back, indicators 2.2. and 2.4). This conclusion was supported by the information received from 34% of participants who indicated that their MUs have not established any organizational unit to perform monitoring and evaluation activities (Item no. 9 of Questionnaire). Result of the field visit confirmed that:

1. Monitoring and evaluation of individual activities were normally carried out by Head of Division and not by a specific division assigned to do monitoring and evaluation, so that conflict of interest could happen,
2. Internal Supervising Unit owned by MUs was normally confined to supervise only the financial performance of the company, not to supervise forest management performance.

### **e. Efficiency Level of Harvesting**

A large number of MUs (52%) had not paid attention to efficiency of harvesting operation and waste utilization. Information on harvesting waste should have been made available by the division performing monitoring and evaluation of individual forest management activities including harvesting. Considering the above information, that most of MUs have not conducted internal monitoring and evaluation of forest management activities, it is not surprising that data on harvesting wastes are generally unreliable or simply unavailable.

#### **4.1.2. Ecological Aspect**

Compared to other aspects of forest management, the ecological aspect is more progressive. Almost all of the 8 indicators have been implemented. However, by deeply examining performance picture, the ecological aspect has not reached the expected performance. Generally, inputs to forest ecology management have been provided by MUs, but have not been properly utilized in the field resulting in the performance picture that has not met the desired level. Following is description of individual indicators:

#### **a. Existence of Human Resource that Supports the Ecological Aspect of SFM**

Recruitment of human resource to support the ecological aspect of SFM has often become a problem. Generally, MUs do not have qualified personnel to manage ecological problem. Though a

reason for this problem in recruitment of qualified staff is because decision for hiring staff rests on the owners of the company. Results of the interviews with MUs in the field indicated that almost all MUs faced the same problem in recruitment due to the fact that staff hiring policy and decision are made by companies' owners. This confirmed the conclusion which says that although sufficient inputs have been provided by MUs, operational problems remain due to the lack of qualified staff handling ecological matters.

Regarding improvement of capability/ competence of personnel, majority of the MUs have not paid enough attention to as showed by the score of 50% in the analysis of questionnaire result. This condition was worsened by the fact that the personnel who were sent to the training on the ecology were those having no ecological background or those assuming double position. As a result, program implementation has not been optimal (what was learnt from the training could not be implemented maximally).

Reward and punishment have been instituted to encourage human resource to make achievement and follow the company's regulations through healthy and fair competition. The questionnaire analysis indicated that 70% of the MUs have implemented reward and punishment scheme.

### **b. Procedures for Controlling Forest Clearings, Fires, Grazing, Illegal Logging and Other Human Activities Causing Deforestation**

Majority of the companies have had procedures for controlling forest clearings, fires, illegal logging, and other human activities that cause forest destruction (80-86%), except procedures for controlling grazing, as shown by the questionnaire analysis result (50%). As regards, procedures for controlling grazing the respondents argued that the verifier is irrelevant with the typical conditions of MUs, as grazing activities normally could not be found inside MUs working area.

Interviews and review of SOP documents during the field visit indicated that there were two main weaknesses of the SOP developed by MUs:

1. There was an impression that SOP was developed unthoughtfully and the content was often unrelated to the scope of work to be implemented. This findings support the argument made by LPIs that SOP developed by MUs was only for fulfilling the administrative requirements.
2. The implementation level was poor due to the lack of socialization to the technicians at the lowest level.

### **c. Procedures for Identifying Important Flora and Fauna (Rare, Scarce, and Threatened with Extinction) and Evaluation of Biological Diversity Change**

Similar to the preceding explanation, majority of the MUs (84%) have had the procedures for identifying important flora and fauna (rare, scarce, and threatened with extinction) together with the result of analysis. However, not all of the MUs had the procedures for the evaluation of biodiversity change. The reasons for the problem in the implementation of the procedures was the lack of understanding on the substance especially in the identification of important species (rare, scarce, and threatened with extinction) relating to referenced standard. Yet another problem is that with availability of data on Andal (Environmental Impact Analysis), MUs have used these data without any updating meaning that the procedures have not been implemented as well.

The 64% number of the result of the questionnaire analysis showed that majority of the MUs had the procedures for evaluating biodiversity change. Based on the results of the field visits (by interviewing and document reviewing), apparently time series data on observation of forest ecosystem condition

could not be found. This indicated that although procedures for evaluating biodiversity change exist, in fact, the MUs have not implemented them. As a result, the MUs actually do not know whether the biodiversity have changed or not.

**d. Procedures for Identification and Area Management within FMU for: (A). Soil and Water Conservation, including in the Harvesting Area, and (B). Protection of Important Flora Species**

Result of questionnaire analysis shows that the progress made in the implementation of indicator 3.4. was as outlined below:

1. The identification procedures for determining extent of protection forest in the MUs managed specifically for soil and water conservation (76%)
2. The identification procedures for determining area sloping larger than 40% (60%)
3. The identification procedures for determining area 2,000 m above sea level (40%)
4. The identification procedures for determining green belt area (74%)
5. The identification procedures for determining protection area around spring water (72%)
6. The identification procedures for determining area for gen plasm conservation (80%)
7. The identification procedures for determining area for wildlife conservation (78%)

The figures show that number of the MUs who had the procedures pertaining to Indicator 3.4. was 70-80%. The number shows that the progress in implementation of Indicator 3.4 is quite high, except the identification procedures for determining the area on 2,000 m asl, because this verifier is applicable only for the areas with such height, and the MUs in Indonesia seldom have working areas lay at that height.

Results of the field visits and review of document show that the implementation of this indicator is much better compared to other indicators. But the weaknesses of substance of SOP still remain as seen in the last indicators relating to SOP. It was also found based on the interviews that the procedures other than those for identification of working area laying above 2,000 m asl that have not been implemented are:

1. The identification procedures for determining the width of the conservation areas (within the MUs) which are specifically managed for soil and water conservation.
2. The identification procedures for determining the area around a spring water.

**e. The MUs have had Environmental Assessment Documents, Management Plan, and Monitoring of Environment Impact on All Forest Management Activities and Its Impacted Area that conform to the Regulation and Approved by Concerned Officials**

Examination of the results of questionnaire analysis regarding ownership of environmental impact documentation shows that 82% of the MUs have not owned ANDAL document. This is something that should not occur because ANDAL document is a compulsory document that has to be owned by any MU as a reference document in environmental management. There were two reasons why many MUs did not own ANDAL documents:

1. There was a conflict between a MU and authorized official who legalized ANDAL document (for instance, MU vs Governor), so approval of the document was delayed.
2. Some MUs understood that SEL document they owned is not an ANDAL document that they perceived as not having ANDAL document whilst the substances of these documents are

already owned environmental documents in various forms including ANDAL, KKL and RPL of SEL, KKL and RPL.

#### **f. Adequateness of Field Implementation of the Procedures for Ecological Aspect of Forest Management**

Indicator 3.6 is related to indicators 3.2, 3.3, and 3.4. In the explanation of individual indicators, it was clearly stated that any disconformity of substance in SOP document will bring about failures at the implementation stage. It was also found that the level of implementation for verifier of accuracy of implementation of ecological aspect management procedures (Verifiers 3.2 and 3.4) was 56% and verifier of ecological aspect management report was 66%. These conditions prove that verifiers of implementation of indicators 3.2, 3.3 and 3.4 were not fully exercised by the MUs.

#### **g. The Extent of Forest Area Disturbed by Human Activities**

Indicator 3.7. is the picture of performance on the implementation of indicator 3.2; it is expected that when indicator 3.2 is implemented, the disruption on forest area could be minimized. Results of the questionnaire analysis show that implementation level of the Verifier for Indicator 3.7 are as follows:

1. Identification and recording of disruption types were 56%
2. Identification and extent of the disrupted area were 38%.

The number shows that majority of the MUs have not fully implemented the verifiers of indicator 3.7. In other words, majority of the MUs have not fully recognized their business area. Whilst, it is known that if MUs document all information on disrupting forces, they should be able to take preventive action timely; when the extent of disrupted forest area is recorded and documented, its influence on ecological and production sustainability could have been anticipated beforehand. Finally, when extents of disrupted forest area changes, sustainability level both ecological and production must be re-examined.

#### **h. The MUs Own Reports on the Implementation of RKL and RPL, showing Actions for Overcoming Adverse Environmental Impacts**

Indicator 3.8 is an output of the process undertaken by indicator 3.5; in other words, indicator 3.8 is the picture of level of implementation of indicator 3.5. It is known that the implementation level of RKL-RPL Documents was 56%, meaning that not all of the RKL-RPL Documents have been implemented. Further, it is also known that the implementation level of RKL-RPL implementation evaluations was 60%; it shows that there are still many MUs that have not implemented the evaluation on RKL-RPL implementation (40%).

The fact in the field shows that evidence of RKL-RPL implementation is part of the requirements for applying RKT (Annual Work Plan). Consequently, there must be some MUs that cannot get approval for their RKTs. Based on the results of the field visit (interviewing and reviewing MUs documents), majority of the MUs did not have sufficient funds to carry out management and monitoring, while some MUs experienced interrupted financing.

Table 3. Progress in Implementation of Ecological Aspect at FMU Level

No.	Indicator	Verifier	Level of Implementation (%)	Remarks
3.1	Availability of human resource to support SFM on ecological aspect	Number and suitability of professionals in ecology for various aspects covering planning, implementation, monitoring, research and extensions	52	Recruitment of HR is on the hand of owner
		Activities for improvement of HR capacity in ecology put in place at the respective level and field	50	Obstacles the same as verifier 1
		Reward and punishment scheme put in place for HR in ecology	70	~
3.2	Procedures put in place for controlling forest clearings, fires, grazings, illegal cuttings and other human activities causing forest degradation	Forest clearing control procedures	86	No obstacle or constraint
		Forest fire control procedures	86	No obstacle or constraint
		Grazing control procedures	50	Majority thought the verifier irrelevant
		Illegal cutting control procedures	80	No obstacle or constraint
3.3	Procedures available for identification of important flora and fauna (rare, endangered) and for assessment of change in biodiversity	Flora and fauna identification procedures	86	No obstacle or constraint
		Change in biodiversity assessment procedures	64	Methodology not mastered and time-series data unavailable
3.4	Availability of procedures for identification and area management within a MU for: 1. Water and soil conservation including in harvesting area; 2. Protection of important flora species	Identification procedures for determining protection area within MU specifically managed for water and soil conservation	76	Nearly no constraint
		Identification procedures for determining area having slope over 40%	60	The other 40% did not have area sloping over 40%
		Identification procedures for determining area > 2000 m asl	40	Verifier irrelevant for most of MUs in Indonesia
		Identification procedures for determining green belt area	74	Nearly no constraint
		Identification procedures for determining area surrounding spring water	72	Nearly no constraint
		Identification procedures for determining area for gen plasm conservation	80	Nearly no constraint
		Identification procedures for determining area for wildlife	78	Nearly no constraint

3.5	MU already owns SEL, RKL, RPL documents on entire forest management activities and impacted area in accordance with existing regulation and approved by concerned authority	AMDAL document available	82	Conflict exists between MU and AMDAL approving official; misinterpretation on availability of SEL document
		RKL-RPL documents available	92	Related to above information
3.6	Conformity of ecological aspect management procedures to field Implementation	Accuracy of implementation procedures of ecological aspect management (verifiers 3.2 and 3.4)	56	SOP not fully implemented; accuracy insufficient due to unsuitable substance in SOP document
		Reports on ecological aspect management	66	Related to inadequate implementation causing activities on RKL-RPL left unreported
3.7	Extent of forest area disturbed by human activities	Types of disturbance	56	Unfamiliar with recording and documenting disturbances
		Extent of disturbed area	38	Ditto
3.8	MUs own reports on Implementation of RKL-RPL showing measures to overcome environmental impacts	RKL and RPL documents	84	-
		Evidence of implementation of management and monitoring of important impacts	56	-
		Documents on evaluation of RKL-RPL implementation	60	-

#### 4.1.3. Social and Company's Health Aspects

IMPG implementation on the social and company's health aspects has been started by MUs, especially in improving the availability of input indicator, such as the development and improvement of SOP, improvement of methods, goals, process, target from developed plan, even though it is not perfect yet. Meanwhile, those changes related to the indicator of implementation process and achieved output of PHPL are difficult to detect, considering the fact that implementation of training outcomes is in progress or in the stage of operational planning for 2009.

Based on the result of MU's response analysis, out of 5 indicators of the social aspect criteria show that the average level of implementation level of verifier indicator 4.5 is the highest (78%), followed by indicator 4.3 (70%), indicator 4.2 (67%), indicator 4.4 (62%), and the lowest level of verifier implementation is indicator 4.1 (57%). Above analysis indicates a number of points that needs attention as follows:

1. In carrying out social management, MUs tend to be output oriented and pay less attention to the strengthening of inputs and process indicators for achievement of SFM, and
2. The responses given by MU need to be re-verified, in relation to the IMPG training impact because from the result of field visit to 5 MUs, it is known that majority of MUs are still in SOP revising stage, and/or, improving and developing work plan.

Meanwhile, the result of analysis of company's financial aspect criteria shows that the implementation level of verifier indicator 5.2, is on average higher (86%) than indicator 5.1 (66%). Above information leads to the following interpretations:

1. Even though MUs are not in profitable condition, liquid, nor solvable, they have to invest and re-invest and this is considered as business risk,
2. Another possibility is that MU financial report does not reach field staff (trainees), so the report as “no implementation”, meaning that internal reporting is not progressing well as expected, in which the information could have been obtained from the finance department of the company,
3. MU is new and has not prepared an audited financial report.

The visit to 5 MUs indicated that they have prepared audited financial report but profit was decreasing compared to the previous year brought about by fluctuating in timber price and increasing production and social costs.

Evaluation of the results of IMPG training implementation on the criteria of social and company's health aspects (the indicators and their verifier) according to the result of the questionnaires and field verification at 5 MU locations can be described as follows:

**a. The number and sufficiency of trained, professionals and technical staffs at all levels for implementing and supporting the social aspect management.**

Indicator 4.1 and its verifier have been implemented by 25% to 33% (57% on average), with the highest implementation level on the verifier of improvement in human resource capacity whilst the lowest level is in the implementation of reward and punishment on the social aspect. The major obstacles facing MUs in implementing the indicators based on the field observation are:

1. MUs faced difficulties in recruiting professionals in the social field in planning, extension, management, and monitoring.
2. Recruitment of professionals was based on company's financial condition.
3. Majority of MUs has not assigned professional social workers in the field or in the managed village location.
4. Aside from the financial problem, many MUs apparently have assigned their social workers as public relation staff which has the implication on the weak application of reward and punishment mechanism in social aspect.

From the result of the field interview with MUs, there is an indication of an effort to provide professional social workers in conducting social management including cooperation with related parties (Forestry Service and NGOs), extension, management, and social assistance.

**b. Availability of procedures for social management implementation, that consists of: a notification of activity plan to the community, an identification of traditional rights, a conflict resolution, and monitoring and evaluation procedures.**

Implementation of the Indicator and Verifier 4.2 has been carried out by 60% to 76% of the MUs (67% on average). Above information shows that availability of SOP for social monitoring and evaluation at MU level is still low (60%). The implication is that monitoring of social management activities is still weak, which has resulted in inadequate use of monitoring and evaluation result for improving procedures and social management that has been carried out by only 62% MU (Indicator 4.3). Likewise, implementation of the procedures for notification to the community of activity plan and for identification of the traditional rights has been accomplished by 64% and 66%, respectively, from 50 respondent MUs.

The low implementation of three SOPs is correlated with:



MUs implement forest management activities and/or the community's traditional rights, possibly affected by forest management activities, has not been identified and mapped since the beginning, and worsened by the weakness in monitoring and evaluation of social management program.

The above problems should have not arisen had the MUs considered local community's or traditional rights in management planning stage and in identification survey of forest resource ownership.

The correlation between the low availability of SOP of the notification of activities plan to the community with the identification of the community's traditional rights can be seen from the implementation level of the existing long term forest management planning, in which only 58% of MUs have considered community's interest in the working area planning and only 64% of MUs that have conducted identification survey on forest resource ownership (Indicator 1.2).

From the interview and examination of document, features of the 5 MUs visited can be pictured as follows:

1. The SOPs for both notification of activity plan to the community and for monitoring and evaluation of social management have not been developed (are still in planning stage).
2. MUs have the SOP for conflict resolution, PMDH, access of community for forest usage, participatory boundary marking and for labour force absorption. However, the contents of the SOPs between MUs are relatively the same (will be further improved by MUs).
3. The factual evidence (such as access and utilization rights and participatory boundary marking) of developed SOPs is still weak; it is related to unavailability of SOPs for notification of activity plan to the community and SOPs for monitoring and evaluation of social management.
4. One of the constraints faced by MUs in completing SOP is difficulties in developing SOP; it is related to the quality of the social labour force owned, while there are a wide range of job descriptions covering a large area. Consequently, addition of professional social labour force and training for development of SOP in conformity to field conditions become very important and urgent. In this case, training for SOP development could be facilitated by BP2HP or APHI.

### **c. Results of monitoring and evaluation of the implementation procedures for social management activities**

The implementation level of verifier of indicator 4.3. lied between 62% to 78% (70% on average). It is evident from this indicator, MUs that have not made use of the monitoring and evaluation results for improving the procedures and implementing social management reached 62%.

Above information and observation in the field showed the following facts:

1. Implementation of monitoring and evaluation of social activities has not been fully implemented; one of the difficulties is the absence of special division or staff tasked to monitor and evaluate social performance; it is confirmed by the MUs' response on the absence of division or staff for monitoring and evaluation (38%),
2. At present, the task for monitoring and evaluation is assigned to PMDH division, but actual monitoring and evaluation is still very weak due to the lack of staff in social aspect, while working area is relatively large.

Regarding this problem, some MUs have made improvement after joining the IMPG training and intended to prepare for the second stage of LPI evaluation. The efforts made include:

1. Forming a special team for evaluation of PHPL,
2. Forming a work unit/special division of IMPG,
3. Increasing infrastructure and supporting facilities, and
4. Increasing budget for monitoring and evaluation.

**d. Management Unit has notified activity plan to the community, noticed the interest and implemented it in the field**

Result of the analysis on the questionnaire data showed that the implementation level of six verifiers of indicator 4.4 lied between 58% to 72% (62% on average). The low implementation level of this indicator was related to the increasing social and other external problems facing the MUs, such as working area assurance and legal assurance; while on the other hand, management problems were increasingly experienced by MUs (such as the low company's liquidity and rentability). From the questionnaire results, it was known that the percentages of the MUs facing social problem, area assurance problem, legal assurance problem, and management problem were 36%, 38%, 44% and 52%, respectively.

The implementation level of this indicator needs to be assessed with care, if it is to be linked to the training on IMPG, considering the fact that the indicator is an output indicator which needs a long process and time to accomplish. Therefore, one of the parameters that can be used for discovering the IMPG training impacts could be the tracing of short term output (3-6 months), such as the documents of public consultation study and identification of traditional rights of local communities.

The questionnaire results revealed that MUs which have developed document of public consultation study was 58% and document of traditional rights of local communities was 56%. The low performance in the achievement of this verifier is attributable to two things:

1. MUs have not developed SOP, and
2. MUs have not implemented public consultation and identification of community rights.

The major obstacles for MUs to doing these activities, including those MUs in which field trial was conducted on the evaluation of IMPG benefits were:

1. The limited number of social labour force,
2. Needed labour force was available, but they had not documented the result of public consultation with the communities,
3. MUs had not identified the traditional rights, and
4. There was an impression that MUs avoided meeting with a large number of local people when they conducted public consultation, fearing that the local people would demand more and more from the MUs, and
5. The company's financial ability consideration.

Regarding the problem on the lack of implementation of public consultation and identification of community traditional rights, role of local Government becomes very important to help MUs to facilitate the meeting with local people, because people living around MUs are also part of local Government's responsibility. This problem was confirmed by the statement made by the respondents saying that one of the major barriers for MUs in implementing IMPG is when a local Government does not assist in solving social problems.

(78% on average). Implementation of this indicator verifier needs to be checked carefully if it will be linked with IMPG training, since this indicator is an output indicator that has been running for sometime. The important factor that needs to be traced from the above numbers is the quality of each verifier, such as the implementation of the local labour force hiring priority, safety level, work health, and availability of sufficient and easy-to-use first aid, as stated in law UU No. 13/2003 about employment.

Observation on the MUs visited indicated that:

1. In some MUs, employment of local people was relatively low for reason of poor quality of skills, and
2. Some MUs had not provided adequate health facilities which was related to the company staff's health.

#### **f. Company's Health and/of Holding Company's.**

The implementation of Indicator 5.1 was just about 66% of the MUs. The implementation level of 66% could not be identified directly as the direct impact of IMPG training because performance of this indicator has been done by MU before and after the training.

The achievement level of company's health of 66% of MUs indicated that there were 34% of MUs that were financially unhealthy, having the risk of losing business in terms of rentability, liquidity, and solvability. The financial problem in forest management was confirmed by the fact that 52% of MUs had management problems with regard to investment, budget and finance, facility, commitment, etc. The low rentability, liquidity and solvability was largely caused by the increasing production and social costs, whilst timber price was fluctuating.

There is another possibility which is hard to uncover, that the unhealthy financial condition of MUs reported, does not reflect the real condition. Logically, if the financial condition is unhealthy, why then the MUs are still running like those MUs with healthy financial condition.

#### **g. Investment and reinvestment levels that are sufficient and meet the need for forest management, administration, research and development, and for increasing human resources capacity.**

The implementation level of verifier of Indicator 5.2 was quite high; 86% of MUs stated that sufficient funds were available for forest management, regularly channeled to production, ecology and social management. In the frame of IMPG training impact evaluation, the achieved level of this indicator was not merely originating from IMPG training as it had been done by the MUs prior to the training. From the field observation, it was identified that the IMPG training impact on the budget was predominantly still in the planning stage for developing budget plan of 2009 (Operational Plan of 2009). The implementation level of this indicator is in the reverse order with company's financial condition for three reasons:

1. The indicator of company's health was not digested or not well-understood by the respondents who supposed to coordinate with the finance division in charge.
2. Availability and regularity of fund utilization for forest management whose amount was increasing each year, influence the company's health, and
3. It was suspected that inaccuracy of financial audit report procedures occurred, so that data accuracy in the financial report did not fully reflect consistency of information between indicators 5.2 and 5.1.

#### **4.1.4. Supporting Factors and Implementation Obstacles**

This section explains about supporting factors and implementation obstacles of IMPG based on the responses to the questionnaires received from the MUs and result of verification through field visit to 5 MUs. In general, it was found that the supporting factors and obstacles in implementing IMPG were affected by both internal and external factors which were out of MUs' control.

The supporting factors and obstacles of IMPG implementation at MU internal level were: the company's owner is serious/not serious in implementing PHPL, with/without strong motivation from the Director/Chief in implementing IMPG, available/unavailable regular and adequate fund, available/unavailable sufficient facilities, with/without strong motivation from the staffs/forces in implementing IMPG, solid team work, and supporting/opposing and regular/irregular MONEV performance of PHPL activities.

On the external side, supporting factors and obstacles of IMPG implementation were: with/without support from Central Government policy (Ministry of Forestry), with/without regular management from Central Government (Ministry of Forestry/UPT) to the MUs, with/without support from local Government for achieving PHPL, with/without management from local Government to MUs, with/without strong coordination between Ministry of Forestry/UPT and local Government in supporting PHPL, with/without serious social problem, with/without help from local Government to solve social problems, high/low amount of illegal charges to MUs and with/without incentive of PHPL certification system for MUs.

##### **a. Internal IMPG Supporting Factors and IMPG Obstacles**

In implementing IMPG, MUs will encounter directly/indirectly the supporting factors and obstacles (internal and external), that could affect the achievement of PHPL performance. From the questionnaire results, it was evident that from seven supporting factors (internal MUs) in implementing IMPG, the predominant ones were: (a) existence of serious commitment from the company's owner to implement PHPL showed by, (b) strong motivation from the Executives/Chiefs, and (c) strong motivation from the staffs/labour force to implement IMPG.

The importance of these three factors was related to the position and the role of each party in forest management, who were the main players in achieving PHPL: the company's owner, who is the final decision maker, the Executives play the role in managing the company, and the staff/labour force as the field executor. The low commitment and seriousness of company's owner to implement PHPL was a major problem for MUs, as stated by 52% of MUs (management aspect). In the field visit for example, there was a Camp Manager who did not have time to discuss on PHPL problems. In fact, seriousness of company's owner and strong motivation of Executives/ management for implementing PHPL is the requirement for minimizing the internal obstacles of the MU, particularly in relation to the budget for management activities on production, ecology and social aspects, for increasing facilities, increasing motivation, incentive contribution to the staffs, monitoring and evaluation of the MU's performance in order to achieve PHPL. The complete internal supporting factors and obstacles in implementing IMPG are shown in the table/annex of this report.

From the questionnaire results, it was found that the internal MONEV (Monitoring and Evaluation) activities had not been a major supporting factor in either IMPG implementation or PHPL; this was supposed to be the major factor in the interest of continuity in the implementation of long term forest management. This fact shows that monitoring effort has not been a major consideration at MU level, particularly in relation to MONEV of company's performance at production, ecology and social aspects; it was proven by the questionnaire results that MUs who had MONEV division were only about 34% with 4-5 staffs per MU. Besides, MONEV was oriented towards administrative supervision, volume of production, and finance that not many of MUs' MONEV functioned properly

implementation according to the policy of Central and Local Governments, coordination between parties, social problem, informal strengthening and effectiveness of PHPL certification system. The analysis results showed that majority of MUs stated that external factors supporting PHPL achievement were:

1. Existence of policy of the Central Government which supports PHPL,
2. The Central Government (UPT) conducts regular supervision to MUs, and
3. Existence of support by local Government policy.

The interest of Central and Local Governments in supporting MUs to implement PHPL requires harmonical coordination. According to 90% of MUs, coordination between MUs and the Central Government has been running harmonically, while 86% of MUs stated that cooperation with the Local Governments has also been running smoothly. The form of cooperation between MUs and the Central and Local Governments that has been going on so far is normally related to forest management policy, legality principles and efforts to improve forest companies' performance.

The good coordination between MUs and the Central as well as Local Governments that has been running well, need to be further improved, considering the fact that 16% of MUs indicated the existence of obstacle in coordination. The obstacle in coordination is related to boundary marking that requires a full-ring polygon condition (after 3 years), while its implementation is partly the jurisdiction of the Government (Forest Planning Agency). Besides, some regulations also changed oftenly and social problems faced by MUs are increasing over time.

Considering the major role of the Government in supporting the achievement of PHPL at MU level, coordination amongst parties must be further improved. Measures to increase the Government role in supporting the achievement of PHPL are:

1. The Central and Local Governments could function as a facilitator when conflicts occur between MUs and local communities, and
2. Increased training activities on IMPG and PHPL by education and training institutions, provincial and regency forestry services, and BP2HP in addition to the managing and supervising tasks that have been performed so far.

Trainings on IMPG and PHPL are essential for increasing the role of Forestry Services and/or BP2HP as the manager, supervisor and director of IMPG and PHPL implementation.

In improving the coordination between MUs and the Governments, other parties that could play important role in achieving PHPL are NGOs and local communities. The questionnaire results showed that 52% of MUs expressed a harmonical cooperation between MUs and NGOs, while 30% of MUs indicated the existence of barrier for cooperation between MUs and NGOs. Therefore, coordination/cooperation is truly a challenge. Based on the above information, the increasing social problems faced by MUs and the limited social workers employed by MUs to solve social problems with local communities, increased harmonization and improved cooperation between MUs and NGOs are strongly needed. The cooperation could be done either in the form of management or assistance to local communities and in improvement of MUs performance on social, ecology, and production aspects, as have been implemented by some MUs.

## 4.2. EFFECTIVENESS OF TRAINING AND ITS IMPACTS ON PERFORMANCE IN ACHIEVING PHPL

Effectiveness of training refers to here is the extent to which the training substance delivered has been understood by the participants, how concerned managements respond to adoption of the insights received during the training, and what indicators can be used to gauge positive changes as the contribution of the training. Three indicators have been developed to elucidate this matter namely: an increase in the comprehension of IMPG issues by individual trainees, changes in process as a response to the training outcomes, and indication of positive changes in performance of the MUs.

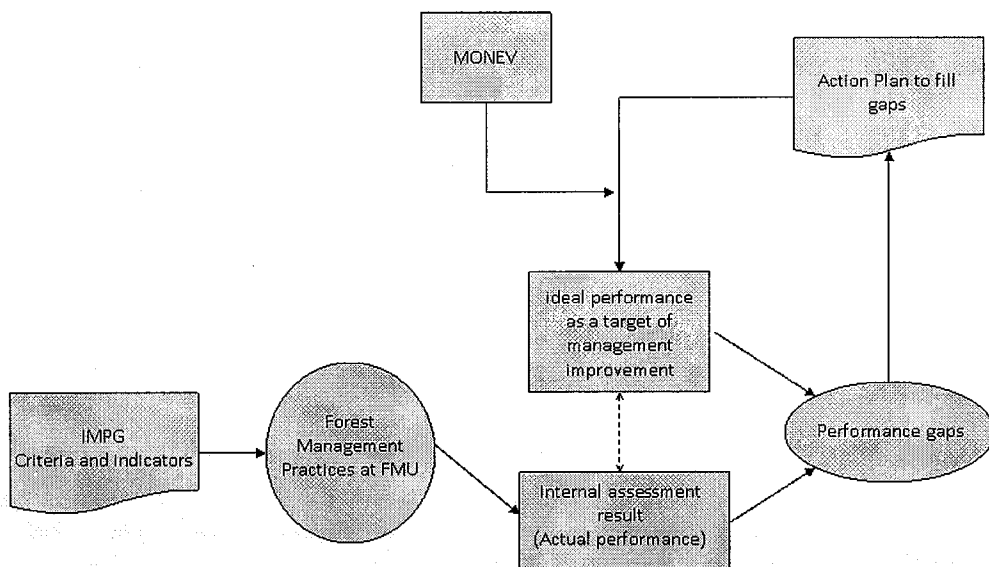
### 4.2.1. Increased Comprehension of IMPG Issues

IMPG Training was implemented in accordance with the framework as presented in Figure 1. The criteria and indicators defined in the IMPG were used as an internal assessment device for measuring the performance of forest management practice at MU level. The result of internal assessment as the actual performance was then compared to the ideal level of performance that should be achieved by MUs in order to improve performance. The ideal performance level is targeted improvement of performance by MUs taking to account such matters as:

1. Liabilities set up by the Government,
2. Urgency of problems in terms of place and time, and
3. Available resources.

The gap between actual and ideal performances was then traced back to identify root or source of the problem, which was identified in each verifier of indicator that represented practical issues in verified forest management. By understanding result of the gap analysis, an action plan for covering the gap or achieving the ideal performance can be developed by MUs. Accordingly, criteria and indicators for monitoring program should also be developed as follows:

1. Is the input needed for coming over the gap sufficiently available,
2. Is the process properly done as planned, and
3. Has targeted result been achieved within planned time frame.



answer the following questions:

1. Are the training alumni able to identify key problems facing MUs in terms of sustainable forest management?
2. Do the training alumni understand the principles of sustainable forest management?
3. Do the training alumni understand the function of IMPG standards, the difference between IMPG and other performance assessment standards and how they perceive its practical use in the field?

Answers to the questionnaire showed that the training alumni could recognize the key problems hampering implementation of PHPL. The order of key problems according to the answers to the questionnaires are:

1. Management, stated by 52% of respondents. The management problem refers to here implies broad meaning or a group of issues relating to commitment of owners, financial aspect, availability of infrastructure and facilities, document completeness, documentation system, implementation of forest management practices and human resource capacity. This information is consistent with the other answers:
  - a. Problem on the commitment of owners was perceived by 52% of respondents as one of the internal factors hampering the implementation of PHPL,
  - b. Completeness of document and weak documentation system also became one of the weaknesses encountered in the production, ecology and social management practices,
  - c. Human resource capacity was also the dominant issue on the production, ecology, and social aspects. Discussions with the MUs visited showed that forest management practices in the field are largely determined by the policy of owners. Communication between technical field staffs had often become the exposure target of PHPL issues, and therefore, had increasingly acquired comprehension and skills, and oftenly did not reach the highest level of decision makers. The long communication channel and unavailability of internal communication mechanisms that ensure the sharing of technical issues directly with the highest level of decision makers, is another obstacle to PHPL implementation.
2. Legal assurance as stated by 44% of the respondents. The legal assurance problem in this case is also the reflection of a group of issues, relating to the policy of Central and Local Governments, support by Forestry Services, occurring pressures from other sectors, changes in regulations and the incomplete spatial plan. The field discussion with the MUs visited showed that frequent changes in Government regulations which are not well-communicated had caused difficulties in field implementation. In addition, there has been anxiety about pressure on forest conversion for non-forestry uses, such as oil palm plantation or mining, which suspectedly was the main cause of the incomplete regional spatial plan and disharmony of policy between Central and Local Governments.
3. Forest estate assurance, stated by 38% of respondents. The forest estate assurance in this case is related to the problem of MUs working area boundary demarcation. As mentioned above (section 4.1.a), it becomes a problem because MUs do not have the full control in undertaking boundary marking of their working areas. Area boundary marking is part of forest designation activities, whose implementation is carried out by the boundary committee, established regionally and procedures for boundary marking must follow the guidelines for forest demarcation, developed by the Ministry of Forestry.

4. Social problem, stated by 36% of respondents. Based on the answers to the questionnaires, issues categorized as social problem included claims by local communities on parts of the MUs working area, illegal logging and shifting cultivation. Information obtained from the MUs visited indicated that the social issues are complex and can not be solved by MUs themselves. Collaboration of stakeholders is needed in a wider context. Solution to social problem should not be based only on technical aspect of social management by MUs, but also on social and economic aspects as well as law enforcement by concerned authorities.
5. Human resource problem, stated by 36% of respondents. Field information showed that the lack of human resource capacity contributed significantly to performance of the MUs. Collection of important field information using sound methodologies are still weak, so that process of forest management planning could not be satisfactorily undertaken. Developed standard operating procedures can only meet the administrative requirements for assessing performance by external party, but not as a useful tool internally needed by MUs. It is evident from the weak substance of the documents in the identification of local specific aspect that must be considered in the execution of technical works in the field. Furthermore, recording of results of the activities implemented as well as monitoring and evaluation were still weak.

Nearly all of the respondents (96%) could respond well to the question (question #2) regarding principles of PHPL on production, ecology, and social aspects in over coming the key problems facing the MUs. This indicates that the level of comprehension of the basic principles of SFM was good. However, human resource who had this level of comprehension or had participated in relevant trainings were not adequate in number, so there are still weaknesses in many aspects as described above. On the other hand, major problems which affect performance of the MUs were related to the issues beyond the MUs' control as identified above. The existing internal management problem was the commitment of the owners which was beyond the control of technical staffs. It was related to the lack of the exposure of SFM issues to the highest level of decision maker in the management structure. Some respondents stated that if technical issues on SFM could be well-communicated to executives and owners of MUs, meaningful change could be expected to occur.

On the question about IMPG training objective (question #3), almost all respondents (96%) comprehended the objective and could describe it well. However, on matter of the difference between IMPG with other standards of performance evaluation, either mandatory or voluntary certification standards, only 60% of the respondents understood the difference, while 34% did not recognize it. This indicated an inconsistency of the answers presented above.

It might be caused by the fact that substances of the different standards were nearly similar to one another. It was related to the IMPG synthetic source of standards, the mandatory certification standard, causing 34% of respondents did not see the difference. But in fact, the difference is in the function of the standards. At present, IMPG standards are used as a device for internal assessment which can be used to develop steps to improve performance of MUs, by considering the aspect of timber legality verification standards. On matter of practicality of the standards, the respondents stated that IMPG criteria and indicators and the mandatory certification standards are much easier to use compared to the voluntary certification standards. This could be understood because the mandatory certification has been used as mechanism for assessment of MU performance since 2003, while IMPG standards were synthesized from the mandatory certification and timber legality verification standards, not the least the ITTO standards. This is the reason why IMPG standards are simpler. On the other hand, the voluntary certification standards are considered by almost all MUs (121 MUs) more difficult to use since only 3 MUs that had participated in the training on the voluntary



PHPL. Internalization process of training result, response by executives, follow-up action by executives to improve internal monitoring and evaluation system can be used to measure changes in the capacity of MUs in achieving PHPL.

### a. Internalization Process of Training Results

The internalization of IMPG training results into the company's management has been carried out by the training participants. 80% of the training participants reported the training result to their respective camp managers. Furthermore, training results were also reported to the executives, direct supervisors of trainees and head of the team work/staff of the trainees (see Figure 2). Reporting of the training result directly to camp manager has a strategic value considering the critical role played by a camp manager in implementing activities on achieving PHPL. However, this reporting must be followed up by informing executives and owners of the training results which should ease the improving process of MUs performance at base camp level. Moreover, dissemination of the training results to the field team work or subordinates of the trainees needs to be improved since only 52% of the respondents that have carried out such dissemination. Through dissemination of training results, it could be expected that concerned operational units and employees as well as executives would understand the IMPG standards well thus be able to implement them in the field.

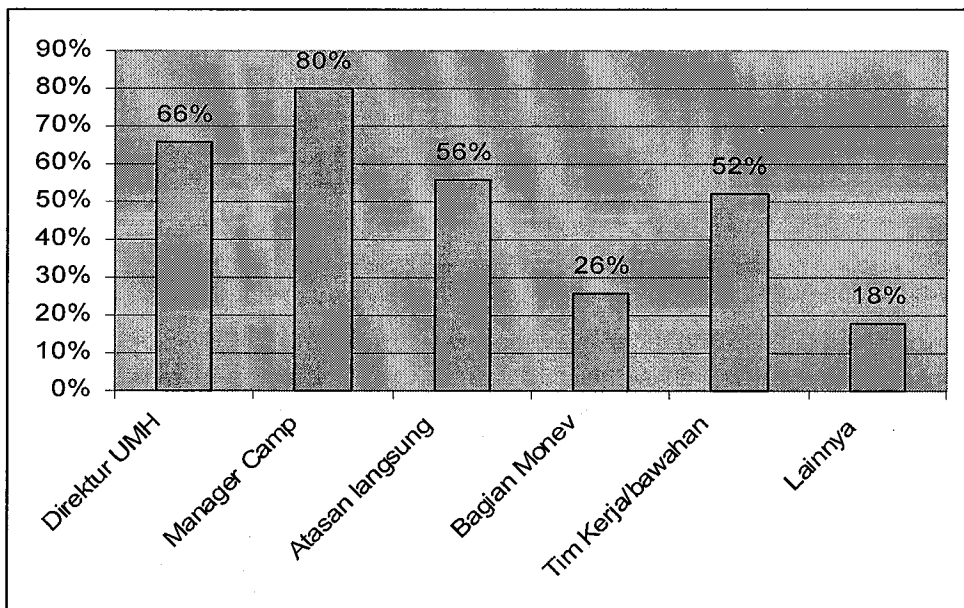


Figure 2. Internalization Process of Training Results

*Notes: the percentages do not reflect cumulative respondents (multiple choice method)*

From the questionnaire results, some matters need further examination; only 36% of the training participants have reported the training results to monev division. This low figure in reporting indicated two things: (1) MUs have not had monev division/section at the field and central levels, and/or (2) MUs might have formed such division/section, but functioned more on taking care of administrative and financial affairs rather than on increasing PHPL performance. The information obtained from the visit to five MUs indicated that majority of the companies have established monev division but dealt only with financial and administrative matters. Step taken by MUs in the

implementation of internal money at MU level was to delegate money function to particular section or working group.

## b. Management Response

The training results that have been reported by a trainee to a camp manager and executives or owners is supposed to be used by the management to improve performance of the MU. Results of the questionnaires indicated that there were nine steps that have been identified or carried out by company management. This includes increasing the budget for IMPG implementation (50%), providing infrastructure and supporting facilities (42%), forming special working unit or division of IMPG and assigning special task force for money without changing the organizational structure (22% each). Only 16% of the MUs (see Table 4) that have made fundamental change such as organization restructuring by forming a new internal money division.

Table 4. Follow up actions that have been taken by MUs after the IMPG training

No.	Follow-up Actions	Number	% (*)
1	Forming special working unit/division of IMPG	13	26
2	Conducting in-house IMPG training	11	22
3	Restructuring of organization by adding internal money division and appointing needed staffs	8	16
4	Restructuring of organization by adding internal money division without appointment of needed staffs	5	10
5	Only assigning special staff for money	13	26
6	Increasing budget for IMPG implementation	21	42
7	Increasing budget for the existing money division/section	9	18
8	Improving supporting facilities such as office space, computers, etc	25	50
9	Others	15	30

Source: questionnaire data analysis, 2008

(\*) Percentage based on multiple choice

Choice of follow-up actions to IMPG training result at MU level is highly dependent on the condition of individual companies. Those companies that have formed money division (but not specifically for improving MU performance) will have to make adjustments in the following line:

1. Increasing infrastructure and supporting facilities,
2. Forming a working group and assigning special staff of money at field level, and
3. Conducting IMPG training.

The choice of follow-up actions was confirmed during the visit to five MUs. In general, the MUs applied the above approaches without making any change to the organizational structure. The reason was that an internal supervising unit (SPI) has been formed by the company to perform this task. In this situation, it is very important for the decision makers at MU level to internalize IMPG implementation to the SPI.

MUs to improve the system for internal monitoring and evaluation of MU performance. Results of the questionnaires indicated majority of MUs (38%) have not formed a division or assigned special staffs for internal money of MU performance on production, ecology, and social aspects; 24% of MUs have formed a division of internal money for IMPG with 4-5 staffs and; 24% of MUs have already formed a division of internal money for IMPG, but had not equipped with staffs yet.

Above information reveals two fundamentals that need to be paid attention to in relation with the readiness of MUs for implementing IMPG:

1. MUs that have had a division or special staff for IMPG are likely to be faster to adapt to the implementation of IMPG criteria and indicators, and
2. MUs that have not had a money division or IMPG staffs, will need a longer time to implement IMPG continuously at MU level.

The MU adaptation ability to accelerate the IMPG implementation at MU level not only depends on the availability of division and special staff for IMPG, but also on level of the capacity and ability of the existing division and IMPG staff to do the tasks. Results of the questionnaires identified that 22% of MUs that have had a division and money staffs for IMPG have the capacity in doing the internal monitoring tasks to increase the MU performance; based on the consideration that the existing staffs have had an experience in monitoring and evaluation, and also have participated in the training related to MU evaluation. While 19% of MUs stated that the existing division and special staffs of money for IMPG have not had the capacity to do the monitoring tasks. The limited capacity of labour force and special staff tasked to implement IMPG at MU level was confirmed by results of the visit to five MUs who had requested to follow up the IMPG and PHPL trainings in order to raise the capacity of the special staff for money that had been formed by the company.

There were efforts and enthusiasm amongst those MUs who have not had a division or money staff of IMPG to implement IMPG: 31% of MUs were planning and proposing to the executives the formation of IMPG division and staff and 14% of MUs are currently establishing such division. The information on the existing formation of division and special staff for money of IMPG, still need to be verified further considering the fact that efforts to form the division and assign special staff are also related to the existing LPI and/or other assessment schemes. Results of the field visit to MUs revealed that the formation of division and assignment of special staffs by MUs were not only for the purpose of IMPG implementation, but also for the anticipation of assessment by LPI and other assessors.

Results of the questionnaires and information gathered in the field indicated that there were efforts by MUs for implementing IMPG, other than increasing the staff capacity and forming the money division. Another step taken by majority of MUs (76%) was to improve SOP. However, revised SOPs did not exhibit noticeable changes, were less adaptable to field conditions, were the same as regards their contents despite the fact that they pertained to different locations and problems. Yet another step that has been taken by MUs was to prepare internal report (48% of MUs) and improve the work plan or IMPG implementation program (46% of MUs). The work plan that was developed according to the field verification result by some MUs, was one of the efforts for incorporating the training results to the follow-up planning program. This was accomplished through various steps including problem identification, input specification, process to effectuate, ideal level of performance to achieve based on the current MU performance under a number of realistic assumptions.

### **4.2.3. Training Impacts on MU Performance**

Training impacts on MU performance was measured using three criteria:

#### **a. MU Efforts to Implement the Criteria and Indicators of IMPG in Improving PHPL Performance**

Results of the questionnaires sent out to MUs are as follows:

1. 54% of respondents stated that majority of the criteria and indicators of IMPG have been implemented,
2. 18% of respondents answered that only minority of the criteria and indicators of IMPG have been implemented,
3. 10% of the respondents expressed that none of criteria and indicators of IMPG have been implemented, and
4. 16% of respondents declared that implementation of the criteria and indicators of IMPG is still in the planning stage.

According to above information, majority of the MUs stated that they have taken steps to implement criteria and indicators of IMPG to improve PHPL performance and only minority of MUs have not done so. This means that, in the context of efforts to improve PHPL, MUs have implemented the IMPG criteria and indicators. The degree to which MUs have achieved the implementation of the IMPG criteria and indicators is basically related to the efforts that have been done to achieve PHPL, before or after the training, either for the purpose of evaluation by LPI or by other forms of certification system.

#### **b. Response by MUs to Application of IMPG Criteria and Indicators**

The ease of implementing the IMPG criteria and indicators is a must to prevent problems in actual implementation. This easiness to use also shows practicality feature of the IMPG criteria and indicators. The questionnaire results showed that the IMPG criteria and indicators were expressed by 68% of MUs as easy to implement and declared by 24% of MUs as difficult to implement. This easiness feature is expected to encourage MUs to implement the IMPG criteria and indicators so that to accelerate progress in achieving PHPL at MU level.

#### **c. Results of the Implementation of IMPG Training Materials and their Impacts on PHPL Performance at MU Level**

The following data shows the results of application of training materials and their impacts on PHPL performance at MU level:

1. 68% of the respondents declared that there is a positive effect of IMPG on the performance of MUs,
2. 14% of the respondents opined that IMPG provided no positive impact on the performance of MUs,
3. 2% of the respondents thought that application of IMPG has lowered the performance of MUs.

Meanwhile, results of the first and second evaluations of performance of 19 MUs whom were also participants of the IMPG training available with the DG of BPK of the Ministry of Forestry indicated that:

1. Seven MUs or 37% experienced unchanged performance, as shown in the graph below:

c. Bad Performance, 1 MU.

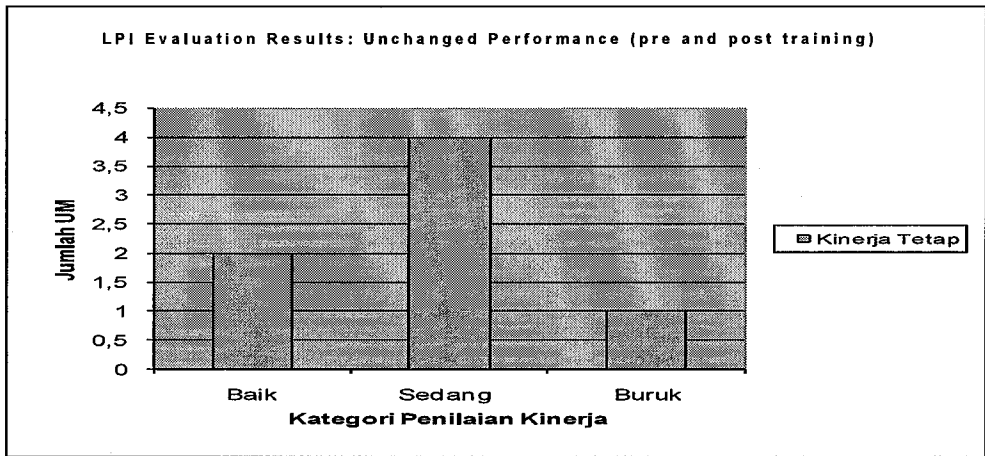


Figure 3. Results of Performance Evaluation by LPI

2. Five MUs or 26% experienced decreasing performance:

- a. 1 MU moved from 'Good' to 'Average'
- b. 4 MUs moved from 'Average' to 'Bad'.

The following graph shows the number of MUs experiencing decreasing performance.

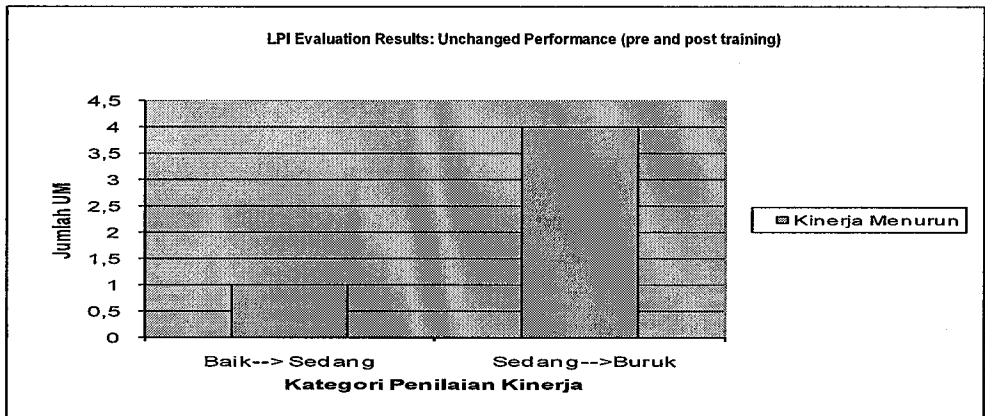


Figure 4. Results of Performance Evaluation by LPI: Decreasing Performance

3. Seven MUs or 37% Experienced Increasing Performance:

- a. 2 MUs moved from Average to Good Category,
- b. 1 MU moved from Bad to Good Category, and
- c. 4 MUs moved from Bad to Average Category.

The following graph shows the number of MUs experiencing increasing performance:

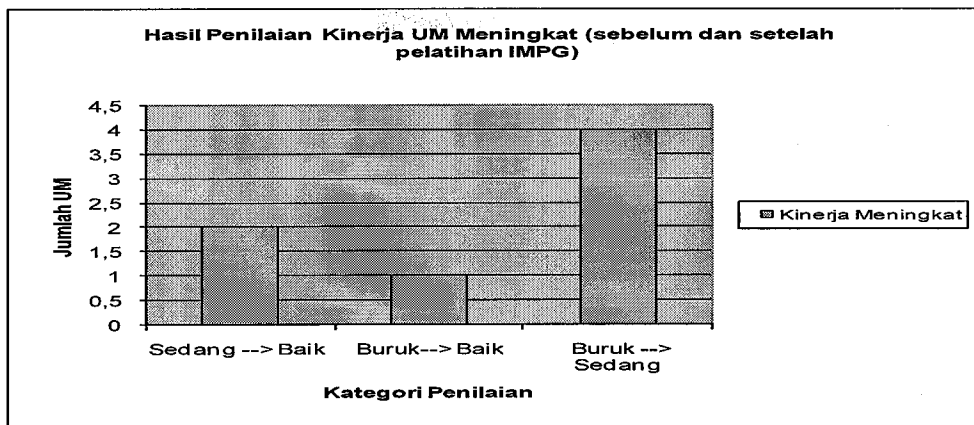


Figure 5. Results of Performance Evaluation by LPI: Increasing Performance

Above description can be elaborated as follows:

1. In the context of efforts made by MUs to apply the IMPG criteria and indicators in view of improving PHPL performance, majority of MUs declared that they have taken the necessary steps.
2. With respect to easiness of application, majority of the MUs stated that IMPG criteria and indicators are easy to apply in the field.

Meanwhile, results of the first and second evaluations of performance of 19 MUs whom were also participants of the IMPG training showed that the positive impact of IMPG is not so obvious yet. It is so because:

1. The lapse of time between the IMPG training and the second stage of evaluation is too short that application of the training result has not brought about significant progress.
2. Moreover, IMPG implementation has not been properly included in MU work program which needs careful planning.

The increasing performance experienced by some MUS is largely attributable to the preparation made prior to the second stage of evaluation. It was realized by the time this evaluation exercise was completed that it is too early to detect any benefits/impacts of IMPG training on the improvement of performance of MUs. Although in a small proportion, it was found that the IMPG training has influenced the performance of MUs: 37% and 26% of the MUs experienced increasing and decreasing performance, respectively. \*\*\*



# 5. RECOMMENDATIONS

## 5.1. RECOMMENDATIONS ON THE IMPG INDICATORS/ VERIFIERS

Based on both the questionnaire answers and the field observation during the visit to MUs, a few changes that need to be made to the indicators and verifiers include:

### 5.1.1. Standards of Performance Evaluation for Mangrove Forest MUs

Standards of performance evaluation under the existing mandatory certification scheme and the IMPG standards were developed for MUs dealing with dryland forests not for mangrove forest. The silviculture systems applicable to dryland and mangrove forests are significantly different, which necessitate the use of different measurement of performance (output) and forest management processes, especially in the production management of the respective forests. Consequently, several indicators of the mandatory certification scheme and the IMPG indicators can not be directly applied to mangrove forest. For this reason, there is a need to develop standards for performance evaluation of mangrove forest MUs.

### 5.1.2. Major Problems in Achieving PHPL

Many of the major problems on achieving the sustainable management of production forest are beyond the control of MUs. These include working area assurance, boundary demarcation, social problems, illegal logging and forest clearings. Therefore, verifiers of indicators about those issues are best confined only to measure the level of performance achieved which is fully under the control of MUs.

In the control of illegal logging for example, MUs are only mandated to prevent and to report the incident but not to take punishing action, while the success of illegal logging control normally requires strong law enforcement; but this is beyond the jurisdiction of MUs.

Still another example is when a MU requires to meet the full-ring polygon condition while part of the implementation is under the control of the Government (BAPLAN). Implementation of boundary marking often take a long time, that may disrupt the implementation of forest management and PHPL.

Therefore, measurement of MU performance on these issues should be limited only to the evidence of efforts made, in accordance with authority of MU in overcoming these issues. Only then, evaluation of performance could be done fairly, in which a MU is not burdened with the performance issue that is out of its control.

## 5.2. RECOMMENDATIONS RELATED TO STAKEHOLDERS COOPERATION

### 5.2.1. Human Resource Quality

Central and Local Governments play critical roles in supporting and achieving PHPL at MU level through their function in coordination, technical management, supervision, facilitation in conflict



appropriate strategy for human resource development. On the other hand, many staffs complained about the imbalanced salary and workload. This has made employment in forestry unattractive. The far reaching consequence is the declining interest amongst youth to study in forestry. This only means that achievement of PHPL will be more difficult in the future mainly due to the scarcity of qualified human resources.

In the midst of the unstable economy and weakening forestry business, there is a need for the Government to determine the number of professional foresters required by a MU along with a competitive salary standard. To increase and insure quality of existing staffs, the Government and APHI need to conduct regular training. The implementation of this training could be organized in cooperation with existing education and training institutions owned by the Government, private sector and other credible NGOs.

### **5.2.2. Social Problems**

Forestry social problems are complex in nature. Many problems are rooted from the demand by local communities for the recognition of their traditional rights, pressures of poverty and the need to fulfill daily living noting that there are always free riders that take advantage of the problems. Therefore, the Central and Local Governments (equipped with laws and apparatus) need to take a leading initiative in solving the social problems in a comprehensive manner and not to leave the burden out to MUs. Since the frequency and intensity of social problems can be expected to remain high considering the many conflicts that require immediate resolution, it is strongly advised for the Ministry of Forestry to form a Permanent Desk or special unit of organization mandated to handle social problems and equipped with personnel representing the main stakeholders.

### **5.2.3. Legal Assurance of Working Area**

At present, many MUs feel the pressures on their working area from other users including crop estate, mining, and conversion for other uses. In this light, the central and local governments must formulate firm, harmonical and consistent policies on land use to assure legality of MUs working area. It is expected that there should be no differences in interpretation of laws and forestry regulations by the officials to prevent confusion amongst MUs and to avoid adverse financial and economical implications from occurring. With the legal assurance of working area, efforts to achieving PHPL could be made continuously and properly.

### **5.2.4. Cooperation with the NGOs**

In general, MUs feel that their relationship with NGOs is in disharmony. Although both MUs and NGOs have the same objective, which is sustainable forest management; the objective indeed could be achieved through different approaches. Yet there are many forestry NGOs having different background. Therefore it is important for the Government to improve communication with NGOs regarding PHPL, development concepts and forestry rules and regulations in order to reach a convergent point between NGOs and MUs. In this way, NGOs could play important role in providing supervision and assistance to MUs in conducting forest management in a proper manner.

### **5.2.5. Improving the Quality of Local Government Officials**

The Local Government (both Province and Kabupaten) is the representative of the Central Government, and together with MUs, are the forefront of forest management operations. However, it is also understood that many officials of Local Government who are in charge of managing local forestry organizations, do not have the needed experience and educational background in forestry. This condition can surely become an obstacle in forest management for reason of differences in

knowledge, point of view and perception in applying forestry activities. In order to establish a harmonious relationship in view of achieving PHPL, the Government has to be involved in any forestry training through active participation of managerial and technical staffs of concerned Local Governments.

### **5.3. THE GENERAL RECOMMENDATIONS BASED ON RESULTS OF IMPG TRAINING**

#### **5.3.1. IMPG Assurance**

At this time, it is felt that there is an overlapping function between IMPG and other existing schemes. Legal status of IMPG scheme is unclear because it has just been taught to the training participants. During the training implementation, participants frequently raised the question: "where the IMPG scheme will be brought to". Related to that question and in order to make IMPG more beneficial, it is suggested that IMPG scheme is linked, integrated with other mandatory schemes, and MUs liabilities in developing Action Plan for PHPL as well as MUs preparation for the enforcement of Legality Standard. In order the scheme to be operational, there is a need for the Government to make application of the IMPG scheme compulsory to MUs.

There are also other such voluntary programs as FSC certification and LEI schemes. It is strongly recommended to use the IMPG scheme in the process of equipping MUs to implement either the mandatory or voluntary scheme.

#### **5.3.2. Follow-up to the Training and Field Application**

From the questionnaire results and intensive discussions with the training alumni and Management of MUs during the field visit, MUs informed the authors of the obstacles in applying and internalizing the IMPG training result in daily field operations. For instance, there are activities on the compulsory certification scheme through LPI considered as fulfillment of administrative obligation rather than the routine activities of the entire MU components. Therefore, there is a strong need for a follow-up training focusing on the development of technical skills in monitoring, reporting, mapping, SOP development and development of technical manuals.

MUs also expect an increasing role of APhi in bridging the Central and Local Governments with MUs by more frequently organizing technical trainings and providing assistance in PHPL. In implementing these trainings, APhi could cooperate with credible national and international NGOs.\*\*\*



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