INTERNATIONAL TROPICAL TIMBER ORGANIZATION (ITTO)

Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES)

PROJECT DOCUMENT

TITLE	PROMOTING THE PARTNERSHIP EFFORTS TO REDUCE EMISSION FROM DEFORESTATION AND FOREST DEGRADATION OF TROPICAL PEATLAND IN SOUTH SUMATRA THROUGH THE ENHANCEMENT OF CONSERVATION AND RESTORATION ACTIVITIES
SERIAL NUMBER	RED-SPD 009/09 Rev.2 (F)
SUBMITTED BY	GOVERNMENT OF INDONESIA
ORIGINAL LANGUAGE	ENGLISH

SUMMARY

Peat swamp forest (PSF) in two major islands in Indonesia, Sumatra and Kalimantan has been estimated nearly 13 millions ha. This forest has been predicted to have a major stock of carbon in their huge organic materials as major component of PSF. There will be a huge emission of carbon from this ecosystem if Deforestation, Degradation, inappropriate Conversion and Forest Fire occur (DDCF). In order to reduce the negative impact of DDCF, we need to promote sustainable management, conservation of remaining habitats and the restoration of the degraded ecosystem. This condition could be achieved through the partnership efforts among stakeholders, across government authorities, local government, industrial forest plantation, palm oil plantation companies and local communities. This proposed project will be the implementation of REDDES, especially those related to awareness raising, capacity building and resolving disharmony across government authorities in peatland management and the establishment of demonstration activities in relatively high forest cover and high rate of deforestation area. The development objective of this project is to contribute to the sustainable management and conservation of PSF in South Sumatra through the enhancement of government authorities' roles and responsibilities and field demonstration activities of restoration and rehabilitation of degraded ecosystem. The specific objective is to reduce deforestation and forest degradation rate and to enhance sustainable management of PSF ecosystem). The expected outputs are: (1) Institutional setting to prevent further deforestation and forest degradation improved, (2) Sound and applicable technology in restoration and rehabilitation of PSF improved, disseminated and applied, and (3) Demonstration activities with the plantation of indigenous species initiated and enhanced.

EXECUTING AGENCY	REGIONAL RESEARCH CENTER OF SOUTH SUMATRA
COOPERATING GOVERNMENTS	-
DURATION	24 MONTHS
APPROXIMATE STARTING DATE	TO BE DETERMINED

BUDGET AND PROPOSED SOURCES OF FINANCE	Source	Contribution in US$	Local Currency Equivalent
	ITTO	**149,493**	
	Gov't of China	31,794	
	TOTAL	**181,287**	

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PART I. CONTEXT

1.1. Origin

This proposed project is partially the implementation of the framework of Indonesian REDD with specific to demonstration activities in peat swamp forest (PSF). PSF (peatland) is one of the important ecosystems which has given huge contribution to the provision of environmental services including those related to climate change. Major component of PSF are water, accumulated organic materials and vegetation. PSF in Indonesia has been predicted to approximately 13 million ha. Large portion of the PSF are distributed in Sumatra, Kalimantan and Papua. In Sumatra the total area of PSF is approximately 3.4 millions ha and distributed in production forests, conservation and protection forest and convertible forests (forest that could be legally converted to other uses). The convertible forest, which is part of production forest have been used for the establishment of industrial forest plantation, palm oil plantation and other uses related to human settlements. The conversion of PSF has been excessively carried out lately for the above purposes and this conversion has resulted in various impacts to the ecosystem. Illegal and excessive conversion and frequent forest fires have resulted in various impacts to the habitat and PSF ecosystem including the increase of carbon emission. The efforts to minimize negative impact of forest conversion and other causes of deforestation and forest degradation have been conducted. However, the promotion of sustainable management, conservation and restoration of the degraded habitat are still insignificant and if no project intervention, the condition continues taking place and may intensify from time to time. The intensification will accumulate the production of the negative impact to the environment.

This newly proposed project is intended to enhance sustainable management and conservation of tropical PSF to reduce emissions and to increase carbon stocking through the involvement of stakeholders and local community in the conservation and rehabilitation of degraded PSF in South Sumatra. This proposed project is part of Reduced Emission from Deforestation and forest Degradation (REDD)-Indonesia, on the context of PSF. There are two major issues addressed in this project: (1) resolving the conflict of interest between authorities in the management of PSF and (2) reducing the emission from deforestation and forest degradation through the promotion of conservation and restoration of PSF ecosystem. Five options for strategic management intervention specific to peatland, under REDD in Indonesia (Indonesia Forum on Climate Change Alliance-IFCA, Consolidation report 2008) will also be addressed, namely (1) Regulate and restore water table, (2) Prevent peatland from fire, (3) Build coordination and consistency across government jurisdiction and sectors to control cross boundary impacts of fire by controlling its sources and spread, (4) Regulate further conversion of peatlands and revise and reinforce rules for management of existing peatlands plantation sites and (5) Implement land swaps where possible to retain high carbon value forest and peats while allocating alternative land for new plantation. The proposed project intervention will specifically put the priority for the third and fourth option for strategic management intervention through awareness raising, capacity building and coordination and field implementation of restoring ecosystem function in the degraded peatland through plantation. Local-indigenous species, which have been identified earlier, will be used in this restoration of ecosystem. The restoration of degraded PSF by planting local species has been ruled and regulated under the conversion scheme of PSF, especially those executed by large companies, such as industrial forest plantation and palm oil plantation and other conversion.

1.2. Relevance

1.2.1. Conformity with ITTO's objective and priorities

Compliance with ITTA 1994 and 2006 Objectives

The proposed project complies with the ITTA Objectives especially Article 1 of the ITTA 1994 and ITTA 2006, which will contribute to the advancement of the Agreement, especially for the following objectives :

a. To contribute to the process of sustainable development of forest management through specific activities on conserving the natural forest. As has been adopted as the fact that tropical rain forests play a very important role in the global ecosystem and environment. The Indonesian tropical forest is the second largest tropical forest in the world after Brazil and one of the forest types is peat swamp forest which have been predicted to have huge storage of carbon. The proposed project will have significant contribution to the sustainability of tropical rain forest and conserving the remaining PSF and its resources within and at the same time will contribute to the maintaining minimum greenhouse gas emission, as addressed in this project.

c. To encourage members to support and develop industrial tropical timber reforestation and forest management activities as well as rehabilitation of degraded forest lands, with due regard for the interest of local communities dependent on forest resources. Most of the activities in the proposed project attempt to restore the natural resources through the involvement of stakeholders and local communities directly and indirectly in the field activities.

Compliance with ITTO Yokohama Action Plan 2008-2011

The proposed project complies with ITTO Action Plan particularly with the Committee on Reforestation and Forest Management to sustainably manage forest resources through the strengthening institution and intensification of training for forestry personnel and other stakeholders in ecosystem behavior, silviculture, RIL and resources assessment, and to secure tropical forest resource through the development of pilot and full-scale activities that test carbon sink and carbon sequestration.

Goal 1 : Support activities to secure the tropical timber resource base

Action 4. Promote the conservation, rehabilitation and sustainable management of the threatened forest ecosystem, *inter alia* mangrove, in collaboration with relevant organization. The proposed project activities will include the promotion of plantation and conservation of ecosystem function in PSF, and by then will also promote the reducing rate of gas emission.

Action 7. Encourage members and assist them, where appropriate, to assess the current and potential productivity of major tropical forest types, taking into account the need to promote future growth and effective regeneration. The proposed project will also implement the appropriate technology to assess resources and identify measures for the restoration of ecosystem.

Goal 2 : Promote sustainable management of tropical forest resources

Action 10.Encourage members and assist them, where appropriate, to improve the productive capacity of natural forest, where appropriate, through intensified silvicultural practice, better utilization of lesser-used species, the promotion of non timber forest product, guided natural regeneration, enrichment planting and reforestation. The proposed project will contribute to the plantation of indigenous tropical tree species including lesser-used species for plantation

establishment in the certain part of peatland currently managed by private companies and community.

Relevance to ITTO Thematic Programme: Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forest (REDDES)

This proposed project is addressed to the ITTO Thematic programme (REDDES) with specific to Action Area of B: Enabling condition and capacity building and Action Area of C: Demonstration activities, especially article (a): Restoration of degraded forest and rehabilitation of degraded forest land, (b). Strengthening of community involvement in forest governance and law compliance to prevent deforestation and reduce forest degradation and (c). Sustainable forest management planning and implementation activities within the context of multiple uses and environmental services.

This REDDES proposal will directly link to overall objectives and scopes on climate change mitigation and adaptation, conservation of biodiversity residing in PSF, soil and water conservation and other services provided naturally by PSF. Through this project, the improvement of enabling condition for South Sumatra and plantation activities carried out, will contribute to reducing emission and improving forest management.

1.2.2. Relevance to submitting country policy

The use of forest resources in Indonesia is divided into four forest functions/categories: conservation forest, protection forest, production forest and conversion forest. Some convertible PSF have been used for the establishment of industrial forest plantation (HTI), palm oil plantation and other community settlement. Considering the huge impact of PSF management to climate change, PSF (peatland in general) has been put as priority or target area for REDD-Indonesia scheme as described in IFCA Consolidation Report 2008 and National Action Plan for Climate Change (*Rencana Aksi Nasional Perubahan Iklim*-RANPI), especially on the implementation of options for strategic management intervention and restoration-rehabilitation of PSF ecosystem. In this strategy, awareness raising, capacity building and resolving the disharmony across government authorities in peatland management are addressed as part of provision of enabling condition. At the same time, the restoration-rehabilitation of deforested-degraded ecosystem is also carried out in selected areas as demonstration activity involving related stakeholders. The plantation of indigenous and valuable species will provide direct benefit (income) to local communities and environment management and therefore it has been included into national policy related to the conservation of biological diversity. Several indigenous and valuable species have been identified and tested to plant in the restoration-rehabilitation of degraded peatland which show very promising results, not only to improve forest condition but also to improve income to local communities. .

Ministry of Environment (MoE) has also facilitated various discussions in the formulation of national level initiatives as the National Focal Point for UNFCCC as part and follow up of the UNFCCC COP-13 in Bali. MoE has also made initiation in the formulation of National Action Plan on Climate Change Mitigation and Adaptation (*Rencana Aksi Nasional menghadapi Perubahan Iklim-RANPI*) and the establishment of National Council for Climate Change, which is directly coordinated by Presidential Office (President Regulation No.46/2008). RANPI could functionally be used as general reference for the operational activities related to climate change in Indonesia. The issues raised in this proposed project are part of the National Action Plan for Climate Change, especially on the enabling condition and demonstration activities as regulated under Minister Decision No. 68/2008 (Organization of Demonstration activities) and Minister Regulation No 30/2009 (REDD mechanism and implementation in Indonesia). This proposed project is considered as follow up

action to the initiatives conducted earlier, such as World Bank, KFF GTZ and REDD- Indonesia and as complimentary to ITTO Project on REDD in Meru Betiri National Park, especially on the establishment of demonstration activities involving local communities. Some activities will be conducted based on the lessons learned from ITTO Project on REDD in Meru Betiri NP.

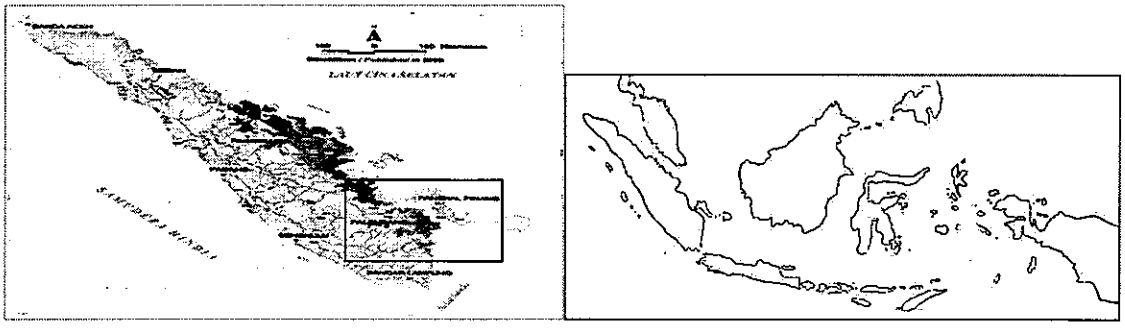
1.3.Target Area

Geographic Location

The location for proposed project operational activities is in South Sumatra, Indonesia. Relevant stakeholders involve in the operational activities may come from the rest of Sumatra especially for awareness raising, capacity building and resolving the disharmony in overall PSF management. Specific sites for rehabilitation-restoration activities (demonstration activities) will be in protection-conservation areas of industrial forest plantation company (HTI), palm oil plantation company and forest areas managed directly by provincial/district forest services in South Sumatra. Most of remaining forest areas have been severely degraded or deforested and therefore could be used as demonstration activities.

Under current government regulation, certain areas from the convertible forest areas that are planted with species for industrial forest plantation (Hutan Tanaman Industry-HTI) and palm oil plantation areas must be maintained and protected as conservation purposes. In this area, ecosystem must be maintained and the degraded one must be restored by planting local species. This plantation could contribute to the carbon restocking, and at the same time, will contribute to the improvement of local community prosperity by creating job opportunities and alternative source of income. Pre-identified sites for project activities are Air Sugihan managed by PT SBA (Industrial Forest Plantation-HTI), State peatland forest under the management of District Forest Service (Dinas Kehutanan OKI), Kemampo Research Forest managed by RRC-South Sumatra (Kemampo), and Sungai Sembilang National Park.

Figure 1. Map of geographical location (Sumatra on left hand side, Indonesia on right hand side)



1.4. Expected outcomes at project completion

Intended situation after project completions is the improved management of peat swamp forest area, improved PSF ecosystem function and improved community living surrounding the PSF. Improved management of PSF is through awareness raising, capacity building, resolving disharmony across government authorities in peatland management. Improve PSF ecosystem is through the enhancement of conservation of remaining PSF and the restoration-rehabilitation of ecosystem.by planting indigenous species which are valuable for both environmental purposes and community living.

The improved management will be indicated by improved forest ecosystem function, improved community/stakeholder participation, and improved community prosperity. Concurrently, the improvement will contribute to both reducing emission due to deforestation and degradation and enhancing carbon stocks by maintaining a good forest condition and artificially by various community based rehabilitation of the degraded area of PSF.

Improved community participation in avoiding deforestation, degradation and biodiversity loss is expected to be achieved through the development of scheme to prevent further deforestation and degradation and participation of community in ecosystem restoration. Alternative sources of income to improve community living from rehabilitation program are identified and enhanced. By the improvement of prosperity and the enhancement of law enforcement, the encroachment and illegal conversion of PSF will also be able to be minimized. The achievement will be indicated by continued reduction of PSF conversion and the increase of rehabilitation activities by planting local species.

From this project, it is also expected that partnership approaches in the conservation of the PSF, in South Sumatra, could be a useful lesson learnt to other areas on the reducing emissions from deforestation and forest degradation through plantation of indigenous species.

Several REDDES deliverables derived from this project which provide benefits to environment, social and economic effect, with different degrees of contribution, include the following:

- Increase the area of restored and rehabilitated
- Potential for income generation activities realized from plantation of local species
- Improved family income in community directly involve in the demonstration activities
- Reduced deforestation in the project implementation areas
- Communities trained and assisted in the development and implementation of rehabilitation-restoration technique
- Improve networking among various stakeholders in the target areas
- Better Understanding on the existence of miscommunication and disharmony in the roles and responsibilities in the management of forest resources in South Sumatra, especially for Peat Swamp Forests and initial stage of resolution through active communication and stakeholder consultation.

PART II: PROJECT RATIONALE AND OBJECTIVES

2.1. Stakeholder analyses

The primary stakeholders in this proposed project are across government authorities responsible in peatland management, especially those operate at local level, such as local government, provincial and district forest services, private companies operating in peatland, universities, NGO and other community group. Each stakeholder involves and participates differently in the project operational activities in accordance with their responsibility in the peatland management. Table 1 is the summary of their role, problem and characteristic to overall management of peatland, with specific in South Sumatra as a study case.

Table 1. Stakeholders analyses

Institutions	Characteristic	Problem /needs/potential	Involvement
Local communities	Highly dependent on natural resources (state forests as main sources of income)	Lack of knowledge and skill, lack of alternative sources of income	Involve in the activities related to the PSF area management. Local community will directly involve in the implementation of Activities Initial involvement: provide data and information on suitable species and preferences
Provincial and district forest services	Key element in the whole management of state forest in each respective area	Weak institutional capacity and limited resources and enforcement of rules	Involve in operational activities in the project, facilitate events related to the site management Provide necessary data and information required for project implementation. Facilitate monitoring activities. Initial involvement: provide data and information on the current issues related to management of forest resources in the areas
Ministry of Forestry	Key element in the whole management of state forest, including those are currently licenced to the companies	Weak coordination, human resource capacity, technology, law enforcement	Facilitate in the discussion, preparation and formulation of project proposal. Provide general guidelines for overall management. Take lead in the implementation and dissemination of project outcome Initial involvement: provide guideline for climate change mitigation and adaptation
FORDA/Executing Agency	Key element in the whole management of project	Limited coordination, resource, technology, accessibility	Facilitate discussion, preparation and formulation of project proposal. Take lead in the dissemination of project findings as lessons learned for other sites. Take lead in operational activities together with the management of companies Initial involvement: FORDA has facilitated meeting and preparation of proposal on REDDES both in South Sumatra and Jakarta/Bogor

Universities / Research Institutions	Prominent institution in the development of technologies	Lack of facilitation, media, development / implementation of findings	Involve in the provision of scientific data and information regarding the species and community. Involve in the development and promotion of technology required for operational SFM activities in the area. Involve in the distribution of project findings and outcome. Initial involvement: provide data on research and implementation needs on climate change related program in the target areas
Local NGO (i.e an existing local NGO)	Play an important role in the community development, extension- mediation	Lack of facilities, access to the formal institutions, lack of resources	Involve in community development and income generating activities, continue and expand the existing initiatives

2.2. Problem analyses

Peat swamp forests (PSF), which is composed by huge accumulative organic materials is one of the important forest ecosystems in Indonesia. This ecosystem plays very important role in many aspects including in maintaining carbon stocks, habitats of various living organism and other hydrological role. The continuing protection of PSF serves to mitigate climate change and conserve key biodiversity resources and other environmental goods and services that these forests provide. More than ever before, the management of PSF needs to be understood in the context of the broader landscape. In the broader landscape, PSF is one of a mosaic of forest, agriculture and settlement zones whose interactions will determine how effectively reducing carbon emissions and enhancement of carbon stocks. Because of the size of the PSF, the way these forested areas are utilized and regarded, by national, provincial and local governments and the local communities and industry around them, will be a critical factor in the effective efforts on reducing deforestation and forest degradation including emissions and enhancing carbon stocks through the restoration and rehabilitation activities.

Regardless the above function and it current utilization, the overall PSF, especially the remaining which are not fully managed or clear on its status of management, are facing critical problem. The problems are continued deforestation and forest degradation, conversion and forest fires which will, in turn, accumulate various negative impacts to ecosystem including carbon emission to the atmosphere and climate change. This is mainly due to lack of sustainable management and conservation. The two major causes are (1) lack of applicable scheme or institutional setting to prevent further deforestation and forest degradation, especially in those areas that have not been clearly allocated for certain management and on the contrary, (2) there is lack or insignificant supporting condition in the restoration and rehabilitation of degraded PSF. The sub-causes of the primary problems are range from lack of awareness on the importance of ecosystem function and capacity to maintain the environmental services, and poor involvement or participation of relevant stakeholders and communities in the management of natural resources with specific to PSF and the presence of confusion of roles and responsibilities across government authorities in the management of natural resources including PSF. Lack of supporting condition in the restoration and rehabilitation is primarily due to the lack of accurate data on PSF resources base, poor dissemination and adoption of existing technology and methods for restoration and rehabilitation of degraded PSF and insufficient provisions of materials for restoration and rehabilitation of degraded PSF and ecosystem which also contributes to the insignificant rehabilitation and restoration success of degraded ecosystem.

In order to maintain and restore goods and services from PSF and its ecosystem, including its function as carbon storage, project intervention is critically important. The Ministry of Forestry, with the assistance from other related Ministries has carried out national level programs to restore forest resources and protect remaining forest ecosystem, with special attention to PSF. This proposed project could become the most important initiation to resolving across sectors and government institution confusion related to the PSF management from awareness raising activity, capacity building and coordination among the related institution to prevent further deforestation and forest degradation through the option of strategic management intervention (esp. institutional setting) and field restoration and rehabilitation activities as demonstration activities to enhance the recovery of degraded ecosystem including conservation and carbon sequestration.

Figure 2. Problem Tree

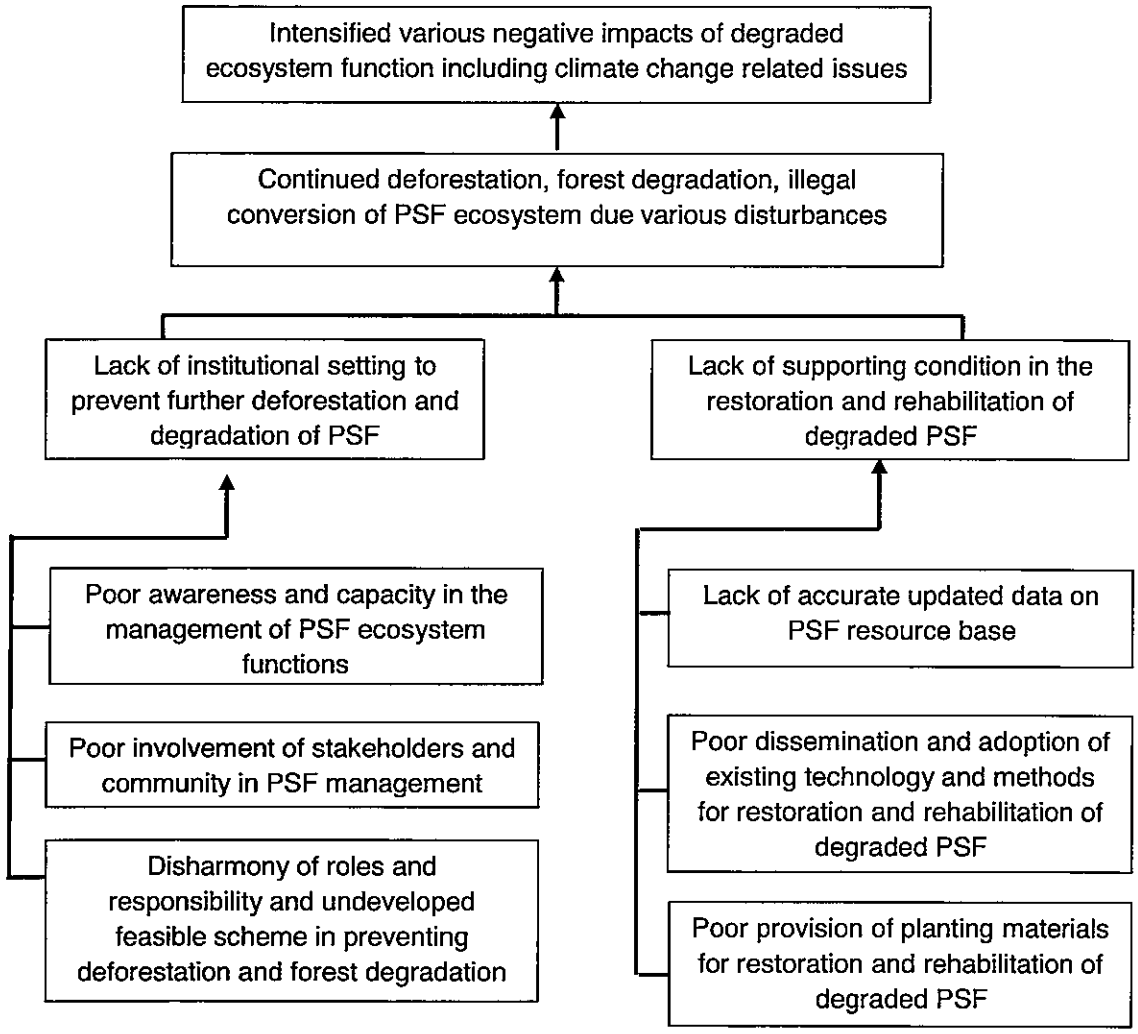
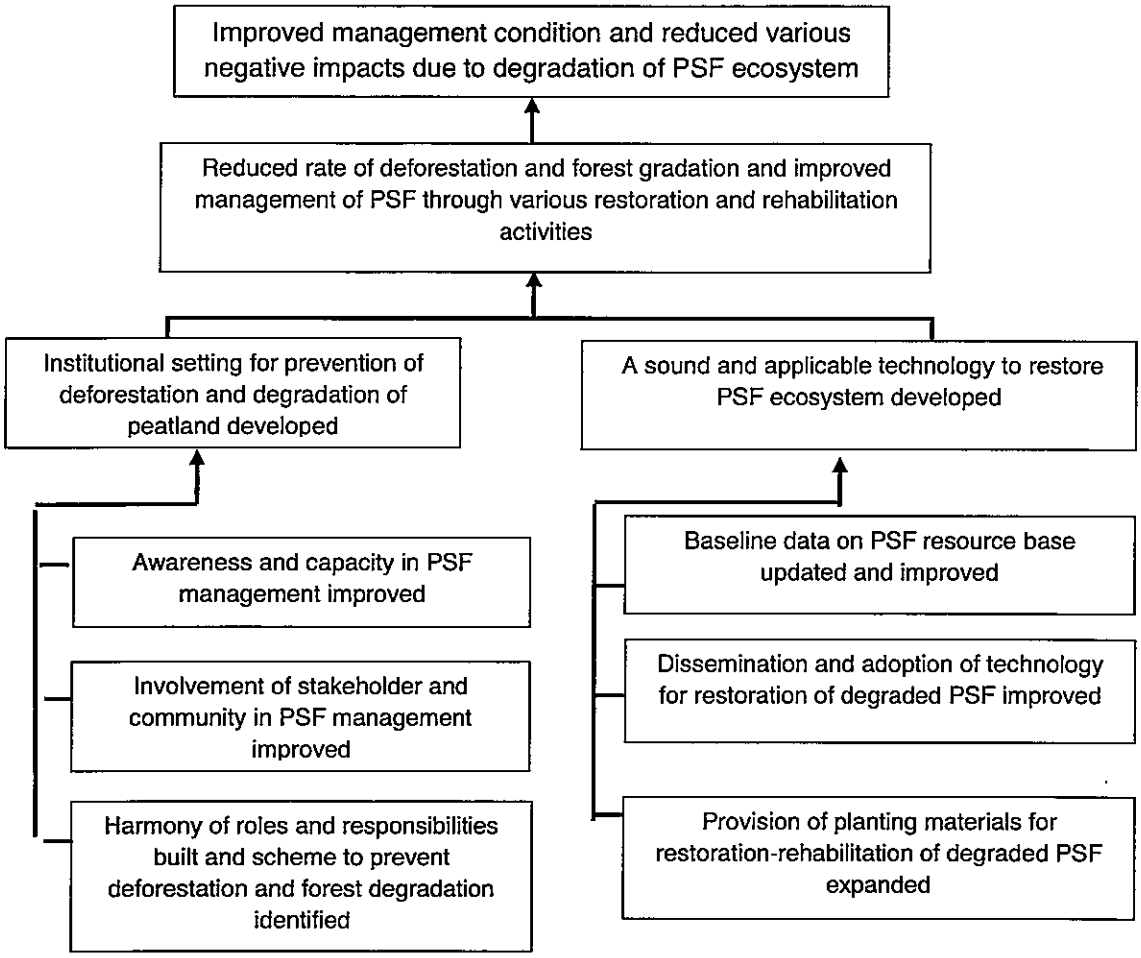


Figure 3. Objective Tree



2.3. Objectives

2.3.1. Development Objective and impact indicator

To contribute to the sustainable management and conservation of PSF in South Sumatra through the enhancement of government authorities roles and responsibilities and field demonstration activities of restoration and rehabilitation of degraded ecosystem.

Impact indicator

Long term impact is reducing carbon emission from PSF in South Sumatra through the improvement of stakeholder awareness, coordination and communication toward the sustainable management and conservation of existing PSF and the increasing the area of rehabilitation and restoration activities indicated by local government statistical report and MoF reports.

2.3.2. Specific objective and Outcome indicators

To reduce deforestation and forest degradation rate and to enhance sustainable management of PSF ecosystem through awareness raising, capacity building, resolve disharmony across authorities in PSF management and restoration-rehabilitation of degraded PSF areas by involving various stakeholders, local government, forest industrial plantation, palm oil plantation companies

and other community groups.

Outcome indicators:

(1). Improve awareness, local capacity and coordination in the management of PSF ecosystem and services in South Sumatra. At least 40 forestry officers and relevant stakeholders involve in the training and capacity building. At least 20 people from local community involve in each area of the desmontration activities.

(2). Improved and widely applied technology for rehabilitation and restoration of degraded ecosystem in PSF. Method of canal blocking technique to maintain water balance and planting technique will be adopted.

(3). Improve carbon stocking through restoration activities in PSF in several degraded sites. At least 4 locations of demonstration activities established in Provincial/District forest services area, industrial forest plantation areas, oil palm plantation areas and conservation areas. The basis for selection of the sites is high accessibility, land security (clear and clean on the ownership status and boundary) and site suitability to the pre-identified and chosen species. The representativeness of the area to draw general conclusion will be further consulted with the concerned national experts/consultant and the availability of land based on the above basis for selection. There will also be dependent on the availability of secured land and the resources.

(4). Improve provision of planting materials of local-indigenous and valuable species. At least 8,000 seedlings (planting materials) for each species (4-5 pre-selected species) will be produced and used in the demonstration activities (or total of at least 40,000 seedlings).

(5). Enhanced restoration activities in degraded PSF at management unit level. More than 4 demonstration activities will be initiated during the project period and it is expected this restoration activities will be followed by local community and other stakeholders for their income generation and other economic reason.

PART III. DESCRIPTION OF PROJECT INTERVENTION

3.1. Outputs

(1). Institutional setting to prevent further deforestation and forest degradation improved

Enabling condition is critical important and pre-requisite to achieve sustainable management and improve PSF ecosystem. This condition is expected to be achieved through awareness raising on the importance of PSF ecosystem and service not only for commercial purposes but also for environmental condition including GHG emission. This awareness raising needs also to be supported by local capacity in the whole aspects of management of PSF involving across authorities and resolving disharmony among those authorities in term of roles and responsibilities. This condition will be achieved through brief assessment of the existing condition, workshop and stakeholder consultation, awareness raising through various means and training. This output addresses the Action Area of B: Enabling condition and capacity building of REDDES Thematic Programme.

(2). Sound and applicable technology in restoration and rehabilitation of PSF improved, disseminated and applied

Several restoration guideline and technology have been developed and tested by various research institution, universities and NGO. Wetland International and WWF have also developed rehabilitation and restoration of PSF ecosystem using water canal blocking to restore water table and promote re-vegetation. The examples remain exclusive and not widely disseminated and applied. In this proposed project, brief assessment of the technology and methods, including method for calculating GHG balance, will be carried out, followed by dissemination and application in several degraded PSF, either in private companies, State forests and community properties. These will be conducted in conjunction with other related activities which will give benefit to community.

(3). Demonstration activities with the plantation of indigenous species initiated and enhanced

Demonstration activities in the form of plantation local-indigenous species will be promoted through the provision of large quantity of planting materials. Some local-indigenous species which are suitable for restoring PSF ecosystem and for improving livelihood (prosperity) of local community have been identified. Those species are some *Dyera* species (Jelutong), *Shorea* species, *Alestonia* species, *Melaleuca* and *Gonystylus bancanus*. The plantation of these species will give direct benefit to the community for production of gums (*Dyera* spp), pole and timbers for other species. The expected outputs 2 and 3 will address the Action Areas of C: Demonstration activities of the Thematic Programme of REDDES article (a). Restoration of degraded forests and rehabilitation of degraded PSF and Article (g) Other measures to reduce emission from deforestation and forest degradation and to enhance environmental services from tropical forest by planting local prospective species to improve local community prosperity.

3.2. Activities and Inputs

Output 1.1. Institutional setting to prevent further deforestation and forest degradation improved

Activity 1.1.1. Review existing schemes and lessons learned from the surrounding areas

The objective of this activity is to review the existing schemes and lessons learnt on how local community involve in PSF management which provides benefit and balance between the objective of PSF conservation and the need of local community for living. This balance is critical important for successful management of PSF and longterm participation of stakeholders and local community. Verification measure: a review (technical) report. Inputs required: National Expert

Activity 1.1.2. Carry out stakeholders consultations, awareness raising, capacity building and resolving disharmony across authorities in PSF management

This activity aims to identify the most viable scheme in the sustainable management of PSF through awareness raising, capacity building and improving harmony among the government authorities on the roles and responsibilities in PSF management and conservation to ensure the ecosystem function and environmental services including reducing carbon emission. Verification measure: Participation, training and awareness raising activity report, and memorandum of common understanding on the roles and regulation across government authorities

The cost of organizing stakeholder consultation and cost of printing have been allocated under this Activity which consists of cost for National Expert, assistance, travel, organization and miscellaneous (i.e. printing) as appears in Master Budget Table (Table 3.5.1.1).

Output 1.2. Sound and applicable technology in restoration and rehabilitation of PSF improved, disseminated and applied

Activity 1.2.1. Review and assess the existing technologies for possible wide application for restoration of degraded PSF.

As mentioned earlier, there have been various technique and trials in the restoration and rehabilitation of PSF ecosystem both in Sumatra and Kalimantan by several institution such as wetland International and WWF-Indonesia Program. These technologies and results of the trials may have been feasible for wider application in the restoration of degraded PSF. However, review and assessment need to be further carried out for application involving relevant and competent parties. The resul of the review and assessment will be further discussed in the stakeholder consultation and or technical workshop (Activity 1.2.2) to ensure the scientific basis and the positive result of the technologies. Verification measure: a review (technical) report. Inputs required: National Expert/consultant

Activity 1.2.2. Stakeholder consultation in the application of method and technologies to enhance the restoration of PSF ecosystem

This is a follow up of the activity 1.2.1 to deliver findings on the review/assessment on the methods and technologies to enhance the restoration of degraded PSF, including the presentation of method for calculation GHG balance (the estimated amount of emission reduction) resulted from the activities. Verification measure: proceeding/report

Output 1.3. Demonstration activities with the plantation of indigenous species initiated and enhanced

Activity 1.3.1. Collect and propagate planting materials of species, indigenous-local forest tree species to be used for rehabilitation-restoration activities.

At least 8,000 nursery grown seedlings for each species of 4-5 pre-selected species (appr. 40,000 seedlings) will be produced and used for the establishment of demonstration activities. These species have been pre-selected based on its potential use to generate income (i.e. Jelutong and *Melaleuca*) and other conservation needs. Seedlings of jelutong, which have been demanded for local community forestry, will also be distributed as expansion to the demonstration activities. Verification measure: seedling production and distribution report. Input required: National Expert/consultant/facilitator (NGO)

Activity 1.3.2. Field rehabilitation-restoration activities in selected areas of South Sumatra using indigenous species including those having potential economic value for community living.

Field rehabilitation activities involving local communities will be executed in different representative areas and local community forestry activities, as described earlier, using the nursery grown seedlings. A large number of community members are expected to directly involve in plantation activities. In this activity, facilitator from local NGO, may be invited to enhance and widen the influence of this activities to other areas. Verification measure: plantation activity report and community participation. Input required: National Expert/consultant/facilitator (NGO).

3.3. Strategic approaches and Methods

Ministry of Forestry has coordinated national initiative on reducing emissions from deforestation and forest degradation by preparing regulatory framework, methodological aspects and capacity building as well as stakeholders' consultations. .Indonesia has established Indonesia Forest Climate Alliance (IFCA), which is led by the Ministry of Forestry and also National Action Plan for Climate Change (Rencana Aksi Nasional Perubahan Iklim-RANPI). IFCA has role to coordinate initiatives from various stakeholders and to ensure the synergy between those initiatives and RANPI could be a general reference for the initiatives and operational activities of Climate change mitigation and adaptation. This proposed project is the elaboration and or field implementation of the frameworks resulted from the various discussion including that released by IFCA Consolidation Report: REDD in Indonesia, 2008) and Readiness Plan prepared by Indonesia.

To achieve the objectives, the strategic approaches and methods will be consider:

1. A thorough overview of the existing conditions of forest resources of South Sumatra, relevant authorities in the management, especially PSF, and other supporting organization which may play a role in REDDES, community living inside and in the surrounding the area, existing methodologies for restoration and conservation.

2. Collect and analyze baseline data in the selected area including on the existing efforts related to the enhancement of carbon stocks and emission reduction and overall conservation and utilization of PSF.

3. Conduct stakeholder consultations and participatory discussions with local communities and other relevant stakeholders.

4. Establish and revitalize existing methods related to restoration-rehabilitation activities, especially those using local-indigenous species.

5. Improve awareness raising and local capacity including coordination to enable effective management of PSF and its relation to climate change issues, including the initial stage to resolve disharmony in the roles and responsibility in the management of forest resources, by reviewing the existing condition, regulations across government authorities and their implementations and the formation of memorandum of common understanding.

6. Expand the community participation initiatives and good practices as lessons learnt to other regions and other country.

7. Establish demonstration activities by planting local-indigenous species in selected sites of degraded PSF, in private companies, PSF in state forest managed by provincial and district forest services, research sites and other community peatland.

8. Support provision of planting materials for local-indigenous species which will also provide direct benefits to local community to improve their living.

9. Wider dissemination of information related to the restoration and rehabilitation technology, including guidelines and manuals.

The project will mobilize relevant stakeholders and local community participation in the implementation of project activities through stakeholder consultation meetings, community gathering in the preparation of activities, direct involvement in field activities, such as protecting the land from wildfire, income generating activities, and other related field implementation of the project.

In addition, the Executing Agency will make communication and exchange of information (lessons learned) on the restoration activity of PSF with Selangor Forestry Department and Sabah Forestry Department in Malaysia at earlier stage of project implementation.

3.4. Workplan

Output and Activities	Responsible Party	Year 1				Year 2			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 1.1. Institutional setting to prevent further deforestation and forest degradation improved									
Activity 1.1.1. Review existing schemes and lessons learned from the surrounding areas	RRC-Sumatra								
Activity 1.1.2. Carry out stakeholders consultations, awareness raising, capacity building and resolving disharmony across authorities in PSF management	FORDA-Bogor								
Output 1.2. Sound and applicable technology in restoration and rehabilitation of PSF improved, disseminated and applied									
Activity 1.2.1. Review and assess the existing technologies for possible wide application for restoration of degraded PSF	FORDA-RRC-Sumatra								
Activity 1.2.2. Stakeholder consultation in the application of method and technologies to enhance the restoration of PSF ecosystem	FORDA								
Output 1.3. Demonstration activities with the plantation of indigenous species initiated and enhanced									
Activity 1.3.1. Collect and propagate planting materials of species, indigenous-local forest tree species to be used for rehabilitation-restoration activities	RRC-Sumatra								
Activity 1.3.2. Field rehabilitation-restoration activities in selected areas of South Sumatra using indigenous species including those having potential economic value for community living	RRC-Sumatra								

3.5. Budget

3.5.1.1. Master budget Table

Outputs / Activities	Description	Budget Component	Quantity		Units	Unit Costs	Total cost	ITTO		Executing agency	
			Year 1	Year 2				Year 1	Year 2	Year 1	Year 2
Output 1.1.	**Institutional setting to prevent further deforestation and forest degradation improved**										
A1.1.1	**Review existing schemes and lessons learned from the surrounding areas**										
	1). MM National Expert	11.2	4	0	Person-man	1,500	6,000	6,000	-	-	-
	2). Assistance	12.1	4	0	Person-man	250	1,000	1,000	-	-	-
	3). Days-Daily Sub-Allowance	31	20	0	Person-man	60	1,200	1,200	-	-	-
	4). Return Tickets	33	6	0	Trip	150	900	900	-	-	-
	5). Local Transport (Car rental, fuels etc)	32	6	0		300	1,800	1,800	-	-	-
	6). Consumable items	53	1	0	Package	500	500	500	-	-	-
	7). Miscellaneous (Sundry, informal meeting etc.)	64	3	0		500	1,500	1,500	-	-	-
	Sub Total activity 1.1.1						**12,900**	**12,900**	**-**	**-**	**-**
A 1.1.2	**Carry out stakeholders consultations, awareness raising, capacity building and resolving disharmony across authorities in PSF management**										
	1). MM National Expert	11.2	6	0	Person-man	750	4,500	4,500	-	-	-
	2). MM Assistance	12.1	6	0	Person-man	150	900	900	-	-	-
	3). Days-Daily Sub-Allowance	31	140	0	Person-man	60	8,400	8,400	-	-	-
	4). Return Tickets	33	50	0	Trip	150	7,500	7,500	-	-	-
	5). Local Transport	32	6	0	Package	150	900	900	-	-	-
	6). Consumable item	53	3	0		500	1,500	1,500	-	-	-
	7). Fuel and Utilities	52	2	0		250	500	500	-	-	-
	8). Other Miscellaneous	64	6	0		500	3,000	3,000	-	-	-
	Sub Total activity 1.1.2.						**27,200**	**27,200**	**-**	**-**	**-**

Output 1.2.	**Sound and applicable technology in restoration and rehabilitation of PSF improved, disseminated and applied**										
A 1.2.1	**Review and assess the existing technologies for possible wide application for restoration of degraded PSF**										
	1). MM National Expert	11.2	2	0	Person-man	750	1,500	1,500	-	-	-
	2). MM Technician	12.2	4	0	Person-man	150	600	600	-	-	-
	3) Days-Daily Sub-Allowance	31	20	0	Person-man	60	1,200	1,200	-	-	-
	4). Return Tickets	33	2	0	Trip	150	300	300	-	-	-
	5). Local Transport	32	2	0	Package	150	300	300	-	-	-
	6). Materials /supplies/printing	51	2	0	Package	500	1,000	1,000	-	-	-
	7). Fuel and Utilities	52	2	0		250	500	500	-	-	-
	8). Other consumable items	53	2	0		250	500	500	-	-	-
	9). Other miscellaneous	64	1	0		500	500	500	-	-	-
	Sub Total activity 1.2.1						**6,400**	**6,400**	-	-	-
A 1.2.2	**Stakeholder consultation in the application of method and technologies to enhance the restoration of PSF ecosystem**										
	1). MM National Expert	11.2	2	2	Person-man	750	3,000	1,500	1,500	-	-
	2). MM Assistance	12.1	2	2	Person-man	150	600	300	300	-	-
	3) Days-Daily Sub-Allowance	31	20	20	Person-man	60	2,400	1,200	1,200	-	-
	4). Return Tickets	33	2	2	Trip	150	600	300	300	-	-
	5). Local Transport	32	2	2	Package	150	600	300	300	-	-
	6). Materials /supplies	51	1	1		250	500	250	250	-	-
	7). Consumable items	53	1	1		250	500	250	250	-	-
	8). Miscellaneous	64	1	1		500	1,000	500	500	-	-
	Sub Total activity 1.2.2.						**9,200**	**4,600**	**4,600**	-	-

Output 1.3.	**Demonstration activities with the plantation of indigenous species initiated and enhanced**										
A.1.3.1.	**Collect and propagate planting materials of species, indigenous-local forest tree species to be used for rehabilitation-restoration activities.**										
	1) Sub contract for provision planting materials	21	1	0	Package	5,000	5,000	5,000	-	-	-
	2) Sub contract for provision planting materials	22	1	0	Package	5,000	5,000	5,000	-	-	-
	3) Sub contract for provision planting materials	23	1	0	Package	5,000	5,000	5,000	-	-	-
	4) Sub contract for provision planting materials	24	1	0	Package	5,000	5,000	5,000	-	-	-
	5) Sub contract for provision planting materials	25	1	0	Package	5,000	5,000	5,000	-	-	-
	Sub Total activity 1.3.1.						**25,000**	**25,000**	-	-	-
A.1.3.2.	**Field rehabilitation-restoration activities in selected areas of South Sumatra using indigenous species including those having potential economic value for community living.**										
	1). MM Field supervisor (National Expert)	11.4	0	12	Person-man	300	3,600	-	3,600	-	-
	2). MM field Technician (2)	11.5	0	12	Person-man	120	1,440	-	1,440	-	-
	3) MD Other labors	12.3	0	250	person-day	15	3,750	-	3,750	-	-
	4). Local Transport	32	0	8	Package	150	1,200	-	1,200	-	-
	5). Fuel and utilities	52	0	8	Package	250	2,000	-	2,000	-	-
	6). Materials /supplies	51	0	7	Package	500	3,500	-	3,500	-	-
	7). Consumable item	53	0	3		500	1,500	-	1,500		
	8). Miscellaneous	64	0	3		500	1,500	-	1,500	-	-
	Sub Total activity 1.3.2.						**18,490**	-	**18,490**	-	-

	Non Activity based expenses										
	1). MM Project Team Leader	11.1	12	12	Person-man	500	12,000	6,000	6,000	-	-
	2). MM Project Secretary	11.3	9	9	Person-man	200	3,600	1,800	1,800	-	-
	3). Daily Subsistence allowance	31	5	5	Person-man	60	600	300	300	-	-
	4). Return Ticket	33	1	1	trip	150	300	150	150	-	-
	5). Local Transport	32	2	2	Package	150	600	300	300	-	-
	6). Office space	41	0	0	year	5,000	10,000	-	-	5,000	5,000
			1	1							
	7). Fuels and utilities	52	1	1	year	250	500	250	250		
	8). Other consumable items	53	1	1	year	250	1,000	250	250	250	250
			1	1							
	9). Sundry	61	1	1	year	250	1,000	250	250	250	250
			1	1							
	10). Printing report and editing	63	1	1	package	1,750	3,500	1,750	1,750	-	-
	11). Other miscellaneous	64	1	1	year	250	1,000	250	250	250	250
			1	1							
	(12). Audit cost	62	1	1	year	1,000	2,000	1,000	1,000	-	-
	Sub total non activity based expenses						**36,100**	**12,300**	**12,300**	**5,750**	**5,750**
Total Budget							**135,290**	**88,400**	**35,390**	**5,750**	**5,750**

3.5.1.2. Consolidated budget by component

Category	Description	Total	Year 1	Year 2
10	**Personnel**			
11	National Expert			
	11.1. Project Team Leader	12,000	6,000	6,000
	11.2. Expert	15,000	13,500	1,500
	11.3. Project secretary	3,600	1,800	1,800
	11.4. Field Supervisor	3,600	0	3,600
	11.5. Field Technician	1,440	0	1,440
12	Other Personnel			
	12.1. Assistants	2,500	2,200	300
	1.2.2. Technicians	600	600	0
	1.2.3. Other labors	3,750	0	3,750
19	**Component Total**	**42,490**	**24,100**	**18,390**
20	**Sub Contract**			
21	Sub contract for provision of planting materials	5,000	5,000	0
22	Sub contract for provision of planting materials	5,000	5,000	0
23	Sub contract for provision of planting materials	5,000	5,000	0
24	Sub contract for provision of planting materials	5,000	5,000	0
25	Sub contract for provision of planting materials	5,000	5,000	0
29	**Component Total**	**25,000**	**25,000**	**0**
30	**Duty Travel**			
31	Daily Subsistence Allowance	13,800	12,300	1,500
32	Local transport costs	5,400	3,600	1,800
33	Return ticket	9,600	9,150	450
39	**Component Total**	**28,800**	**25,050**	**3,750**
40	**Capital Items**			
41	Office Space	10,000	5,000	5,000
49	**Component Total**	**10,000**	**5,000**	**5,000**
50	**Consumable Items**			
51	Materials/supplies	5,000	1,250	3,750
52	Fuel and utilities	3,500	1,250	2,250
53	Other Consumable items	5,500	3,250	2,250
59	**Component Total**	**14,000**	**5,750**	**8,250**
60	**Miscellaneous**			
61	Sundry	1,000	500	500
62	Audit Costs	2,000	1,000	1,000
63	Printing and editing	3,500	1,750	1,750
64	Other miscellaneous	8,500	6,000	2,500
69	**Component Total**	**15,000**	**9,250**	**5,750**
70	**National management cost**	**20,294**		
80	**Project monitoring and administration**			
81	Monitoring and Review Costs	5,000		
82	Ex-post project evaluation	5,000		
83	Programme Support Costs	10,703		
84	Donor Monitoring costs	5,000		
89	**Component Total**	**25,703**		
90	**Refund of Pre-Project Costs**	**0**		
100	**GRAND TOTAL**	**181,287**		

3.5.1.3. ITTO Yearly budget

Category	Description	Total	Year 1	Year 2
10	**Personnel**			
11	National Expert			
	11.1. Project Team Leader	12,000	6,000	6,000
	11.2. Expert	15,000	13,500	1,500
	11.3. Project secretary	3,600	1,800	1,800
	11.4. Field Supervisor	3,600	0	3,600
	11.5. Field Technician	1,440	0	1,440
12	Other Personnel			
	12.1. Assistants	2,500	2,200	300
	1.2.2. Technicians	600	600	0
	1.2.3. Other labors	3,750	0	3,750
19	**Component Total**	**42,490**	**24,100**	**18,390**
20	**Sub Contract**			
21	Sub contract for provision of planting materials	5,000	5,000	0
22	Sub contract for provision of planting materials	5,000	5,000	0
23	Sub contract for provision of planting materials	5,000	5,000	0
24	Sub contract for provision of planting materials	5,000	5,000	0
25	Sub contract for provision of planting materials	5,000	5,000	0
29	**Component Total**	**25,000**	**25,000**	**0**
30	**Duty Travel**			
31	Daily Subsistence Allowance	13,800	12,300	1,500
32	Local transport costs	5,400	3,600	1,800
33	Return ticket	9,600	9,150	450
39	**Component Total**	**28,800**	**25,050**	**3,750**
40	**Capital Items**			
41	Office Space	0	0	0
49	**Component Total**	**0**	**0**	**0**
50	**Consumable Items**			
51	Materials/supplies	5,000	1,250	3,750
52	Fuel and utilities	3,500	1,250	2,250
53	Other Consumable items	5,000	3,000	2,000
59	**Component Total**	**13,500**	**5,500**	**8,000**
60	**Miscellaneous**			
61	Sundry	500	250	250
62	Audit Costs	2,000	1,000	1,000
63	Printing and editing	3,500	1,750	1,750
64	Other miscellaneous	8,000	5,750	2,250
69	**Component Total**	**14,000**	**8,750**	**5,250**
70	**National management cost**	**0**		
80	**Project monitoring and administration**			
81	Monitoring and Review Costs	5,000		
82	Ex-post project evaluation	5,000		
83	Programme Support Costs	10,703		
84	Donor Monitoring costs	5,000		
89	**Component Total**	**25,703**		
90	**Refund of Pre-Project Costs**	**0**		
100	**GRAND TOTAL**	**149,493**		

3.5.1.4. Executing Agency Yearly budget (GOI in kind contribution)

Category	Description	Total	Year 1	Year 2
10	**Personnel**			
11	National Expert			
	11.1. Project Team Leader	0	0	0
	11.2. Expert	0	0	0
	11.3. Project secretary	0	0	0
	11.4. Field Supervisor	0	0	0
	11.5. Field Technician	0	0	0
12	Other Personnel			
	12.1. Assistants	0	0	0
	1.2.2. Technicians	0	0	0
	1.2.3. Other labors	0	0	0
19	**Component Total**	**0**	**0**	**0**
20	**Sub Contract**			
21	Sub contract for provision of planting materials	0	0	0
22	Sub contract for provision of planting materials	0	0	0
23	Sub contract for provision of planting materials	0	0	0
24	Sub contract for provision of planting materials	0	0	0
25	Sub contract for provision of planting materials	0	0	0
29	**Component Total**	**0**	**0**	**0**
30	**Duty Travel**			
31	Daily Subsistence Allowance	0	0	0
32	Local transport costs	0	0	0
33	Return ticket	0	0	0
39	**Component Total**	**0**	**0**	**0**
40	**Capital Items**			
41	Office Space	10,000	5,000	5,000
49	**Component Total**	**10,000**	**5,000**	**5,000**
50	**Consumable Items**			
51	Materials/supplies	0	0	0
52	Fuel and utilities	0	0	0
53	Other Consumable items	500	250	250
59	**Component Total**	**500**	**250**	**250**
60	**Miscellaneous**			
61	Sundry	500	250	250
62	Audit Costs	0	0	0
63	Printing and editing	0	0	0
64	Other miscellaneous	500	250	250
69	**Component Total**	**1,000**	**500**	**500**
70	**National management cost**	**20,294**		
80	**Project monitoring and administration**			
81	Monitoring and Review Costs	0		
82	Ex-post project evaluation	0		
83	Programme Support Costs	0		
84	Donor Monitoring costs	0		
89	**Component Total**	**0**		
90	**Refund of Pre-Project Costs**	**0**		
100	**GRAND TOTAL**	**31,794**		

PART IV. IMPLEMENTATION ARRANGEMENT

4.1. Executing Agency and Organizational Structure

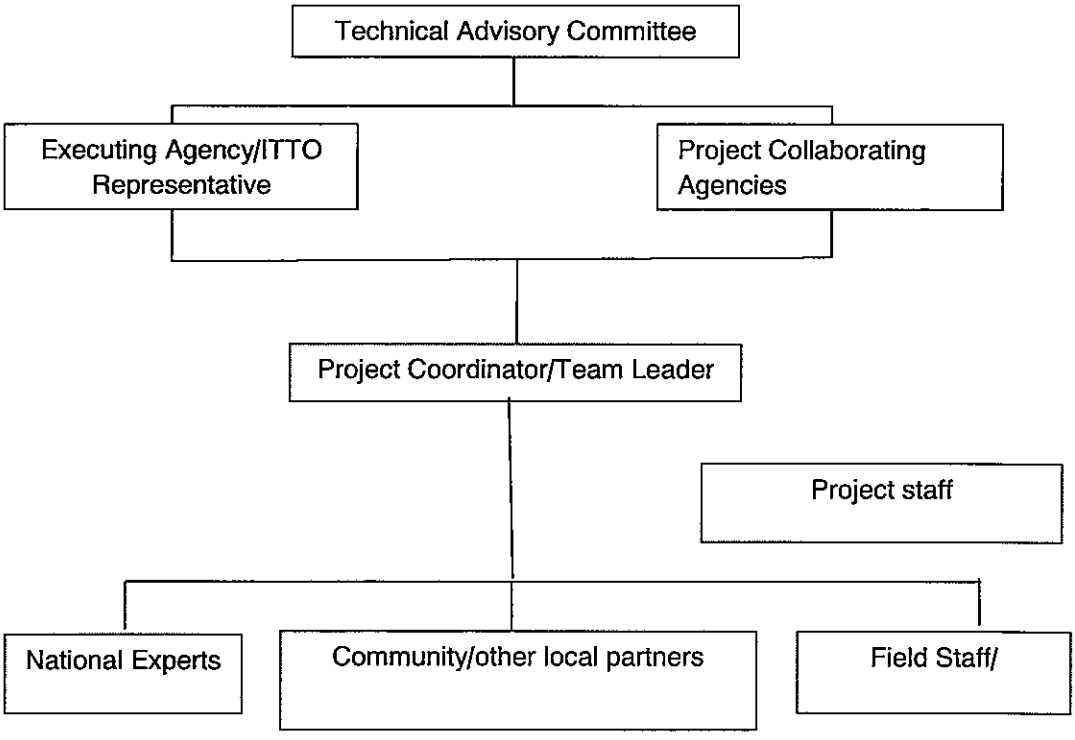
Project activities will be carried out by the Regional Research Center (RRC) of South Sumatra, which is under Forestry Research and Development Agency (FORDA), in collaboration with Center for Forest and Nature Conservation Research and Development (CFNCRD)-Bogor and Provincial and District Forest Service. Executing Agency will be responsible for the whole management of the project, whereas the Collaborating Agencies will involve in the operational activities of the project and the provision of sites for demonstration activities.

Executing Agency will form a Technical Advisory Committee (TAC), which consists of Representative from Executing Agency, ITTO Secretariat, collaborating agencies and other related institution. The TAC will be chaired by the Executing Agency and or determined by FORDA.

Under the TAC, there will be a Project Coordinator or Team leader, Project staff (Finance and administrative), National Experts, and field staff (technician). Project Coordinator (TL) and Project staff will be hired for the whole project duration, whereas National Expert and other staffs will be hired based on each individual activity (Activity based) who could be from local institutions.

The TAC will be responsible for (to) approve program and budgets of the project (YPO) within the framework of the project, (2) conduct annual reviews and evaluations of the project implementation; (3) approve Progress Reports before submission to ITTO and GOI

Figure 4. Management Structure



4.2. Project Management

Project management consists of Technical Advisory Committee, Project Coordinator (Team Leader), Project staff, technician and National Expert (see Organizational structure above)

4.3. Monitoring and Reporting

Project Monitoring, Review and Evaluation will be scheduled in accordance with the *Second Edition of the ITTO Manual for Project Monitoring, Review and Evaluation.*

1. Arrangements for reporting
    a. Progress Reports: The Executing Agency will submit to ITTO a bi-annual Project Progress Report no later than 10 weeks before Council Sessions of each calendar year for the duration of the project implementation. Such progress report shall contain all the information relevant to the financing and implementation of the project as set out in the *ITTO Manual for Project Monitoring, Review and Evaluation.*
    b. Technical Reports: This shall be provided as appropriate during the project duration related to the technical activities of the project.
    c. Completion Reports: The Executing Agency will submit to ITTO the Project Completion Report, conforming to the model and content of the ITTO Manual for Project Monitoring, Review and Evaluation within three (3) months after Project Completion.

2. Monitoring, Review and Steering Committee's Visit

    ITTO will conduct a monitoring visit in accordance with ITTO schedule. Monitoring/Review mission by ITTO may be conducted together with TAC meeting. Monitoring of the Project may also be conducted by the TAC through its biannual meeting. Whether or not the monitoring and review will be executed, will be decided by ITTO Secretariat.

3. Evaluation

    Project evaluation will follow ITTO Manual for project monitoring, review and evaluation. Mid-term evaluation (if any) and Ex-Post Evaluation will be conducted by ITTO Secretariat.

4.4. Dissemination of project results and lesson learned

Results and lessons learned produced from this project will be forwarded to relevant institution, such as Indonesian Forum on Climate Change Alliance (IFCA), National Council of Climate Change (Dewan Nasional Perubahan Iklim-DNPI) and within Ministry of Forestry related offices, such as DG Forest Production Management and DG Forest Protection and Conservation and Forestry Research and Development Agency, through technical reports, brief reports, workshop and other means of communication.

4.5. Sustainability after Project Completion

All demonstration activities carried out in this project will be maintained by Regional Research Center of South Sumatra as main roles and responsibilities of this office in the development of demonstration activities and rehabilitation of degraded PSF in South Sumatra. In the maintenance of the demonstration activities, this Center will establish cooperation with the Provincial Forest Services as the main Forestry Authority at provincial level and private companies who have the responsibility to restore their degraded habitats. To ensure the continuity of the maintenance, the MOU between this Center and the private companies will be established prior to the decision of sites. The most accessible sites/location will be chosen.

ANNEX 1: PROFILE OF THE EXECUTING/IMPLEMENTING AGENCIES

Regional research Center (RRC), Forestry Research and Development Agency (FORDA), a subsidiary body of the Ministry of Forestry will be conducting the project as Executing Agency. FORDA is the holder of scientific authority on forestry, and therefore responsible for the availability of scientific information and technologies to be used for the basis for decision making as well as for practical uses.

Some of RRC/FORDA missions are:

1. To conduct research and development to secure forest resource base
2. To provide scientific basis for developing techniques and guidelines to secure and to promote recovery of habitat and ecosystem function as a whole including conservation of whole forest.
3. To provide information, data and assessment for policy making

FORDA is supported by 4 (four) Research and Development Centres located in Bogor which will directly and indirectly involve in the execution of the proposed project. Those centres are:

1. Centre for Forest and Nature Conservation Research and Development
2. Centre for Forest Product Technology Research and Development
3. Centre for Institutional capacity building, Social and Economic Research and Development
4. Centre for Forest Plantation Research and Development

In addition to those Centres, there are 15 (fifteen) research institutions in the regions, distributed throughout the archipelago. FORDA employs more than 500 scientists of various disciplines. More than 50 scientists are PhDs, and over half of the total holds Master degree. In terms of facilities, FORDA has various laboratories and many field research sites and station all over Indonesia.

FORDA's research activities encompass all forestry aspects from basic botany and ecology to marketing and policy analysis. Those activities are derived from FORDA's programs articulated in a long-term Strategic Plan. Research activities are distributed accordingly to the four Centers under the FORDA and its Regional Research Institutions.

FORDA's facilities are libraries, laboratories, herbarium collection, office building and experimental forests. FORDA receives annual budget up to Rp. 8 000 000 000 (eight billion rupiahs) equivalent to US$ 8 000 000 (eight million US Dollars) distributed to all over the Centers and Regional Research Centers. FORDA has long experience in managing collaborative works between local and international institutions, such as JICA, DFID, European Union, ACIAR, WB, GTZ.

ANNEX 2. TASK AND RESPONSIBILITIES OF KEY STAFFS

Names and position in the project

No	Name of key staffs, National Experts	Field of Expertise/ Institutions	Position and role in the Project
1.	Bambang Sugiarto, Ir. MSc	Ecology-Silviculture, RRC-Sumatra	P Coordinator/Team Leader
2.	Siti Nurjanah, SP, MP	Administrative/Finance, Affiliation with CFNCRD-Bogor	Financial Consultant
3.	Tajudin Edy Komar, Ir.M.Sc	Forest Ecology-Silviculture, CFNCRD-Bogor	National Expert Act. 1.1.1
4.	Bastoni, Ir.MSc.	Forest Ecology-Silviculture-Sumatra	Senior Researcher
5.	Moch. Lukman Hakim, Ir. MSc	Forest Conservation-Sumatra	Senior Researcher

ANNEX 3. TERM OF REFERENCE OF PERSONNEL

Term of Reference for National Expert (s)

Position: The National Expert (s) will be assigned to carry out one or several activities to achieve the specified outputs.

Duties: The expert (s) will be responsible to carry out the assigned activity (s), alone and or with the agreed team. Detail work description (TOR) for each activity will be provided before the commencement of the activity along with the agreed contract. The expert (s) prepare one or more technical reports depending on the number of activity assigned (at least one technical report for one activity). The submission of the technical report is within the period of assignment. The technical reports containing the findings of the activity must be presented in the meeting held by the project or concurrently with TAC Meeting.

Qualification, time and payment: Hold at least B.Sc degree and minimum 5 years experience in relevant field. Good understanding in English language. Expert will carry out relevant activity within the time as allocated by the project. Payment as allocated in Budget Sheet.

Term of Reference for Project Coordinator (Team Leader)

Position: One Project Coordinator will be hired to run the project and to coordinate operational activities. The Project coordinator will be determined and assigned by Executing Agency based on his or her qualification and understanding of the overall project activities.

Duties: Project Team Leader (Project Coordinator) will execute all project related activities, coordinate and supervise all activities and ensure that the overall objectives are achieved. He or She will work closely with all parties and personnel involved in the project, and be responsible for the day to day management of the project. He or She will integrate all activities of the project, manage and be responsible of the funds applied to the project and for the preparation of all project reports.

Qualification, experience and payment: Hold at least Master Degree in forestry, good understanding on the overall objectives, outputs to be achieved and activities to be carried out; having working experience in International Organization; high communication and language ability,

especially English. Salary for Project Coordinator (Team Leader) is allocated in the Budget Sheet. He or she receives Daily Subsistence Allowance during duty travels.

Term of Reference for Administrative/Financial Consultant

Position: Qualified person will be hired for a Administrative/Financial Consultant.

Duties: Assists Project Coordinator in all administrative/financial matters of the project and provide advise in all financial report, Progress Reports based on the Rules and Regulation by ITTO.

Qualification, experience and payment: Basic requirement are experience in finance and general administrative work (experience with ITTO project), high performance of MS Office (Words, Excel, Access and e-mail), available to work hard and work overtime, better/understanding of English. Payment as allocated in Budget Sheet.

Term of Reference for Assistances and Technicians

Position: Several persons will be hired to be an assistances and technicians for specific activities

Duties: to assist project management to carry out relevant activity in the office, nursery and field plantation, compiling data, document and other records.

Qualification, experience and payment: Hold at least senior high school and minimum 2 years experiences in relevant field. Payment is in accordance with project allocation, time of service is based on contract and could be extended.

Term of Reference for Sub-Contract

Position: Competent organization will be sub contracted to carry out specific activities and provision of materials needed to execute the project operational activities.

Duties: To carry out the activities as listed above to achieve the overall goal of the project, through its contribution to output and project objective. A more detail description of TOR for each activity will be provided along with an agreed contract for each activity and each organization. The sub-contractor is obliged to prepare one or more technical reports (i.e consultation meeting, workshop report) including its through process to the project (at least one technical report for one activity). The submission of the technical report is within the period of assignment. The technical reports containing the findings of the activity, lesson learned, models etc. must be presented in the meeting held by the project or concurrently with TAC Meeting.

Qualification, experience and payment: Organization to be sub-contracted could be formal institution (i.e. research institutions), universities, and NGO who have experience in the organization of the event or provision and or relevant to its institution's mandate, qualification and resources. TAC could also provide advice on the selection and or nomination of the organization qualified for the sub-contract. Payment or value of the sub-contract is calculated based on the field condition, required resources and the number of parties involved (i.e number of participants) with total of no more than the allocated budget.

ANNEX 4. EARLIER REVIEWER'S COMMENTS

No.	Reviewer comments	Revised/amendment	Page
1.	The linkage of proposal to the REDDES objectives and scope	See Part I, section 1.2.1., Relevance to ITTO Thematic Programme, last paragraph	3
2.	The inclusion of calculation of the GHG balance into output 2	See Part III, section 3.1., output 1.2, activity 1.2.2.	12
3.	Resolving disharmony accros government authorities	- See Part III, section 3.1., output 1.1, activity 1.1.2. - See Part III, section 3.3., point 5	12 14
4.	The inclusion of ITTO Representatives in the technical advisory committee	See Part IV, section 4.1., second paragraph and figure 4. management structure	23
5.	The environmental, social and economic benefit of the project	See part I, section 1.4. last paragraph	5
6.	The linkage of project proposal to the REDD activities in Indonesia	See Part 1, section 1.2.2., second paragraph	3 -4
7.	Quantitative indicators of achievement	See Part II, section 2.3.2., outcome indicators	10
8.	Verification measures for the achievement of activities	See Part III, section 3.2., Activities and inputs	12-13
9.	Initial involvement of key stakeholders	See Part II, section 2.1., Table 1. Stakeholder analyses	6 – 7
10.	REDDES Programme deliverables from project	See part I, section 1.4. last paragraph	5

ANNEX 5. CURRENT REVIEWER'S COMMENTS (Assessment date: 15/10/2009)

No.	Reviewer comments	Revised/amendment	Page
1.	The budget need revisions, i.e the cost of organizing stakeholder consultations and cost of printing, as commented earlier, was not addresses.	See Section 3.2. Activity 1.1.2. Carry out stakeholder consultation... ***Note: there was no comment on this matter in earlier assessment***	12
2.	Outcome indicators were improved in the revised version of the proposal but need further explanation, especially with regard to basis of selection of the four sites/location in South Sumatra. Is a 4-ha plot per location sufficient to demonstrate the project activities? Usally, sufficient replication are needed before generalized statement can be made on the defoirestation and degradation of the PSF ecosystem	See Section 2.3.2 Outcome indicators Points (3) and (5)	10
3.	The deliverable entitled" Resolve potential miscommunication and disharmony in the roles and responsibilities in the management of forest resources" seem to be too ambitious to be achieved by the end of the two year project.	See Section 1.4. Expected outcomes at project completion, last paragraph.	5
4.	The revised proposal still does not indicate whether consultation took place during the initial stage of project proposal preparation, although there is and additional statement saying that FORDA is to facilitate meeting and preparation of the proposal on REDDES (pg9). Please clarify.	See Table 1 Staholder analysis, row 5.	6
5.	The Executing Agency is advised to also establish contact with the Selangor Forestry Department and Sabah Forestry Department in Malaysia, both of which have gained ample experience on the restoration of PSF	See Section 3.3. Strategic approach and Methods, last paragraph	14