



Project Completion Report

ITTO Project TFL-PD-32/13.Rev 2.(M)

**Strengthening the Capacity of Local Institutions to Sustainably Manage  
Community Forestry in Sanggau for Improving Livelihood**

Government of the Republic of Indonesia

Research Center on Socio Economic, Policy and Climate Change  
Forestry and Environment Research Development and Innovation Agency  
Ministry Environment and Forestry

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 GOI contribution : US\$ 55.050

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## Executive Summary

Proposal of this Project was approved as a 2<sup>nd</sup> revision and fully funded by the Council at its 49<sup>th</sup> Session in November 2013. The Agreement for project implementation was signed in July 2014. . The Project initially was designed for two years period until end of 2016. Temporary suspension of ITTO Projects all over the world resulted into financial adjustment and extension of Project duration until end of February 2018. ITTO funding was disbursed four times in total after submission of Yearly Plan of Operations. The first disbursement was made on 14<sup>th</sup> December 2014 after submission of inception report. Full implementation of the Project started beginning of January 2015.

The Project had long-term objective to contribute in accelerating the progress of community forestry program that slowed in progress from the target set by the national policy planning of 2010 -2014. It focussed the objective on strengthening capacity of the local community who already been granted with the permits on forest management so-called *IUPHKm*. Capacity building for local community was essential in forest management to sustain forests functions as well as to improve livelihoods of the commune. The Research Center on Socio Economic, Policy and Climate Change supervised and implemented the Project in collaboration with partners from non-government organizations of *FKKM* and *FGLG*. Other partners included the government of Sanggau and the local ngo's named *YPSBK*. Selection of Sanggau as location of the Project considered historical experiences in assisted the development community forestry during 1990 – 2002, the largest forest area allocated for community forestry in year 2011, and it was among the first district to receive the permit on community forestry granted in year 2012 and 2013.

Capacity building were targeted the five groups of permit holders who received mandate from the government to manage 5100 ha of state forests. The Project learned from the past experiences of participatory forest management implemented by the *SFDP* in 1990-2002, technical and scientific expertise available at the implementing agency of Research Centre in Bogor, from partners, universities and other important initiatives. The aim was to put in practice existing knowledge to improve forests and land uses practices at community level. Through trainings, business and coordinative meetings, field visits and analytical works, local community were introduced into the concept of rules in forest management, procedures to manage forests that include the requirement to formulate annual and long-term work planned. The Project also facilitated local community into better access in information and market in conjunction with stronger support from local government on the development of community forestry.

Upon completion of the Project, local community benefitted with management planned to secure the permits on forest management. The communities also benefitted with the extent of production house for organic fertilizer, the development of eco-tourism at protected forests, established market for production of handicrafts and local foods, also financial supports from the *CSR* of private agency. They also benefitted with installation of hydro-power for electricity supported by local government. Local government also benefitted from access to develop community inhabited inside the forest area, initial assets held by local community required for developing village-owned enterprise so-called *BUMDES* which was mandatory program from the Ministry of Village and Rural development. The Project on community forestry harmonized different agencies of multi-sectors in developing local community at remote region.

The Ministry Environment and Forestry also benefitted with the expansion of community forestry in Sanggau into 8465 ha under the management of local people. The Ministry could draw lessons learned from the Project in advancing implementation of the policy Social Forestry, which become priority program for the country.

# 1. Project Identification

## 1.1. Context

Forests in Indonesia play important roles for the country and for local community. The forests in Kalimantan is among the richest biodiversity in the world, which in Indonesia has the functions for production of timber, non-timber and services, for protected soil fertility and water sources, also for conserving landscape and ecosystem integrity.

The area of forest cover over 60 % of the country and the products from forests serve as source of livelihoods for over 30 million communities who depend their livelihoods from forests and the area of forests. The Ministry of Forestry regulates forest management in the country by assigning business entities with certain kinds of permit on forest utilization, depending on the functions of forest as production, protection or as conservation. That framework of regulation takes into account among others ownerships of forestlands and its uses, structure of government and design of policy. The regulation takes into account numbers of ITTO guidelines on sustainable forest management and ITTO programmes that include the program on forest law enforcement, governance and trade or TFLET.

This Project benefitted from the agreement signed by the Ministry of Forestry with ITTO on June 2014 that intend to strengthen collaboration between the two parties by strengthening implementation of the policy that encourage participation of local community on forest management. The Agency of Forestry Research and Development of FORDA implemented the Project due to its knowledge, expertise also networks built with international organizations, other government agencies, privates and civil society organizations that include FKKM and FGLG.

This Project was developed during the period of five years development plan of 2010 – 2014, when the policy decentralization was in place and governed the management of natural resources in Indonesia. The policy assigned district level government with authority on forest management, and it targeted two (2) million hectares of forestlands across the country be managed by local community. Community forestry was promoted in forest management and traditional rules or *adat* practices were strengthened and enforced by decision of Constitutional Court No 35/PUU-IX/2012. Moreover, partnerships between privates and local communities were encouraged on production forest through the decision of Ministry Forestry No P39/*Menhut*-II/2013. By granted access for local community, it was expected the forests be managed in sustainable manner and local communities be benefitted with better living.

Three years after its implementation, the policy progressed slowly in 2013 as only 5% from the target of 2 million ha was achieved for community to manage forests. Acceleration was needed for the policy to achieve its target, otherwise forests stayed degraded, conflict in forest management and poverty inside the forests remained, in addition continued process disturbances on forest functions. Success stories and lessons learned should be promoted to boost policy implementation on community forestry.

District Sanggau was selected as a location of the Project due to its long time experiences with forest managed by local community assisted by the Indonesia – Germany project of Social Forestry Development Project, SFDP in 1990-2002. A model forest managed by community was promoted on 102,000 ha of production and protected forest areas owned by the State, which inhabited by local Dayak communities who lived in 48 hamlets. SFDP was

implemented by the Agency of BRLKT, the branch office of the Ministry Forestry located at the headquarter of West Kalimantan Province at Pontianak. After termination of SFDP, YPSBK (*Yayasan Perhutanan Social Bhumi Katulistiwa*) was established as a foundation that continued its collaboration with BRLKT in implementing programs on land rehabilitation and soil conservation in Sanggau.

In the year 2011, the government allocated 76,000 ha of state forest for community management. Permits on forest utilization were granted for 5 groups of local community, 509 households or about 2000 inhabitants, to manage 5100 ha state forests with certain rules and procedures. The permits were under-utilized and no progress were reported during Project formulation. The Project presumed weak capacity at implementation that hinder community forestry in Sanggau to progress differ from the policy design.

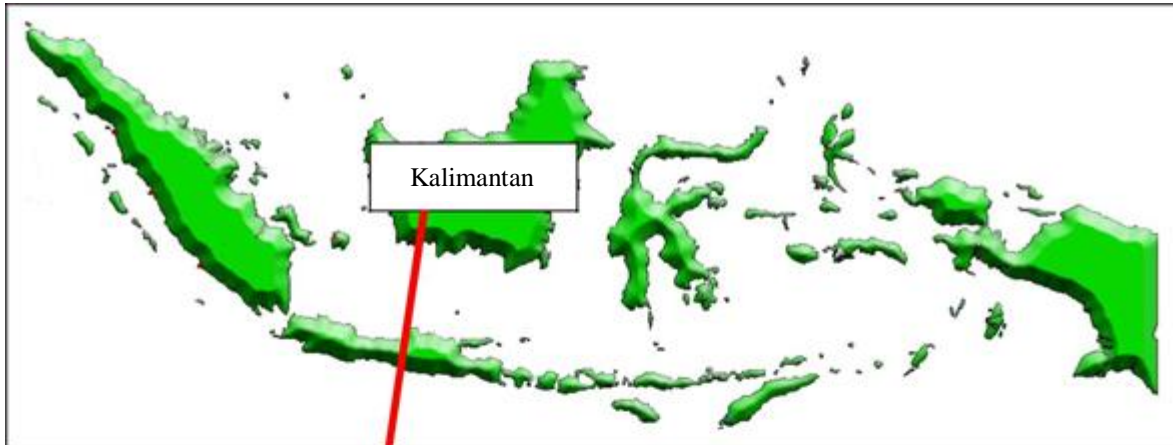
Changed national leadership in 2015, re-organization at the Ministry of Forestry and re-formulation of government authority in the management of natural resources influenced implementation of the Project. The approach of landscape was taken for implementing the Project given the area of community forestry encompassed variety of land-uses from lowland agriculture, fisheries and settlement into rubber garden, mixed-fruits garden of forest likes and virgin forests. The used of landscape as an approach for developing community forestry also considered ongoing progress of infrastructure and agriculture development that penetrated into forest areas to meet priority of national government.

At present, the area of community forestry in Sanggau expanded into 8465 ha, added 3365 ha from its origin of 5100 ha before the Project. The area covered protected and production forests, managed by 10 groups permit holders on community forestry with members 910 households or about 4500 inhabitants. Local institutions were developed and stakeholders were identified during dissemination of rules and regulations and formulation of management plan for each of community group. Supports from local government were attained from numbers of agreements signed with various agencies, that include the support for traditional rules of *adat* in preventing protected forests from being over-used for economical purposes.



**MAP OF PROJECT AREA**

**INDONESIA**



**Kalimantan**



**Sanggau District**

**HKm area in Sanggau District**



## 1.2. Origin and Problem

Community forestry was among the sixth priority programs stated at the Strategic Planning of the Ministry Forestry for the year 2010 – 2014. The program linked with other programs combatting illegal logging, developing industrial forest plantation of HTI, developing wood-based forest industry and it linked with the program reducing greenhouse gasses emission. In the context of Millennium Development Goal, the program contributed for reducing poverty line and for accelerating forest rehabilitation as efforts of mitigation and adaptation to the climate change.

Legal framework for designing the program based on national constitution that declared lands, water and all natural resources contained within belonged to the state and rights to manage the resources were granted by the constitution on the government. The program offered job opportunities and provided income sources for community at surrounding teak forests in Jawa Island. Clear ownerships of land made the programme of community forestry well established in Jawa for over a century. Empirical problems emerged as the program be implemented outside the Island of Jawa, among others in Sumatera and Kalimantan where traditional *adat* rules be used to enforced the ownerships of lands and natural resources that include forests. Dual frameworks of ownerships on lands and natural resources often inhibit certain policy be implemented into practices.

The implementation of policy on community forestry focussed on technical matters related with soil conservation and land rehabilitation. Often, it solved problems of single sector but overlooked problems and needs faced by local communities.

Over 70% of the country was classified as forest areas that to be managed in accordance to the functions of forests for production, protection and for conservation. The designation of forest areas restricted local communities in accessing products from the forests, in using the lands and in having better infrastructure such as road networks, agricultural inputs and access to market and access to education and health cares.

Decentralization facilitated forest conversion and opened up access for many interest groups to expand agriculture lands, to exploit mineral resources and to convert forest lands into non-forestry uses. Implementation of the policy on community forestry confronted with opportunities and interests of local communities and elite groups intended to gain short term benefits and to concur the area of forests.

Main problems hindered the community forestry to progress during project formulation, with particular reference for Sanggau, were listed as the following:

- In sufficient supports from local government to develop community forestry and under-utilized opportunities and roles of stakeholders provided by the scheme of community forestry
- Limited information available for the groups of community forestry, with regards to access market and financial resources which were needed by the groups to develop business entity as required by the regulation
- In sufficient supports for local communities to develop capacities for becoming forest entrepreneur and for designing forest planning and its implementation as required by the regulation.

- In sufficient program of trainings dedicated for local community to improve capacities in managing forests and marketing products from the forests

The Project contributed to change the situation, despite forestland status that remained. Community forestry has become priority programs across the country under the framework of Social Forestry and the landscape approach applied in Sanggau was taken as references and provided lessons to learn in developing the scheme at other areas.

Stakeholders gained better understandings about the program community forestry and connection with provincial and as national levels were established. Requirements for the five permit holders were fulfilled through the development of five yearly and yearly management plans. Capacity buildings for community were supported by local government and they were incorporated into the development program at village level in conjunction with the development of infrastructure. Investments from the Project in term of knowledge, equipment granted by other agencies and market access developed at the village Mobui and Sungai Dangin become assets for the district to develop BUMDES of village-owned business entity promoted by the Ministry of Village and Rural Development. In Sanggau, community forestry facilitated various sectors to cooperate and to enforce traditional *adat* rules in sustaining landscape of forest in the region.

## 2. Project Objectives and Implementation Strategy

Building from the rational program of community forestry, the Project intended for speeding up the implementation of community-based forest management or community forestry in order to sustain forests and to improve wealth of local communities inside the forests. Community forestry in Sanggau was established from the year 1990 and it was developed further until 2002. Formal access on forest management and forest utilization which was granted for local community in Sanggau was not operational and it could not serve as success story for other locations to follow. The Project perceived essential to have a model of community forestry that can be replicated or scaled up by others including by policy makers.

The Project intended to contribute in accelerating the development of community forestry program in Indonesia by focussing its objective to strengthen capacity of local community to manage sustainably the community forests in Sanggau of West Kalimantan.

Strategy of this Project considered the fact local institutions had weak capacity in implementing the program of community forestry. Despite strong institutions of traditional *adat* Dayak communities existed for regulating forest and land use practices in the area, their understanding on formal regulation were considered weak or even absent. Permits on forest management was considered as legalization of their traditional practices, but opportunities given by the permits were not explored or even incorporated into development program of local government.

The strategy also considered community forestry in Sanggau has particularities that need to be taken into consideration. It represented land use system being practised in common by local people of *adat* community at the regions of Kalimantan, Sumatera and even at Papua and other places in Indonesia. It also represented ecosystem at the region that rich in biodiversity and the use of that resource by local community. Restricted facilities and infrastructure inside the area of forests made these local communities lived in backwardness and far from benefitting development programs.

Strategy of the Project therefore considered elements of local institutions be identified, in addition of accessibility of information on market that need to be explored and developed. The strategy also scrutinized roles of local government and find out ways for the government to support the development of program community forestry.

Local institutions were identified and developed, and they were strengthened to clarify roles of local community and stakeholders related in the management of community forestry. Arrays of rules were identified to scrutinize any inhibiting factors that hinder the program to progress and identified incentives attached to the program that should be enforced. The Project gathered expertise, knowledge and experiences from various sources to attain successful implementation of the Project.

The Project benefitted from experiences of staffs at local government of Sanggau, *adat* leaders and assistantships from the local ngo's of YPSBK, in addition of rich knowledge from partners of FKMM and FGLG. Lessons learned from the Project were recognised by policy making at the district, provincial and the national level. The lessons were taken analytically to advance scientific arguments in promoting the policy on social forestry. At present, the groups of community forestry at Sanggau served as an arena to advance multi-

sectors approach for improving wealth of local communities and for sustaining use of natural resources.

### 3. Project Performance

#### 3.1. Specific objective

To strengthen capacity of local community to sustainably manage community forests at Sanggau District of West Kalimantan Province.

#### 3.2. Outputs

Three outputs were envisaged from the Project as follows:

Output 1. Developed local community institutions in forest management

Activity	Planned	Implemented
1.1.	To improve community knowledge on rules and regulations concerning community forestry	Improvement of knowledge was conducted through trainings, meetings and field visits.
1.1.1	To disseminate program and related regulation on community forestry at 4 villages	Disseminations were done by coordination meetings, trainings and field visits for 5 groups of community at 3 villages and at headquarter of the district  Facebook page: Facebook.com/Sanggauproject  WebGIS HKm: <a href="http://news1.jasakode.com/">http://news1.jasakode.com/</a>
1.2.	To carry out one of package entrepreneurship training at Sanggau	Numbers of trainings were organised to accommodate proposal from local communities and those resulted from collaboration with other agencies or partners
1.2.1	To prepare training materials and selection participants	Materials prepared among others for training handicrafts making, production of organic fertilizer, development of ecotourism, development of micro-hydro Participants were selected from permit holders on community forestry ( <i>IUPHKm</i> ), extension workers, local NGO, local government
1.2.2.	To conduct entrepreneurship trainings (3 packages)	Over 3 times of trainings were conducted to develop business on handicraft, on organic farming, on food business, on the development of ecotourism.
1.2.3.	To produce flyers, leaflets for promotion of information and products	Over 1000 materials were printed for information and promotions of products
1.2.4.	To organize or to participate at business gatherings 4 times	Organization of business gatherings were made at village Mobui and city of Sanggau. Participation at business gatherings at Jakarta, Pontianak and Sanggau –PARARA, INACRAFTS, ICRA, PESPARAWI and GAWAIDAYAK
1.3.	To carry out 6 times trainings and workshops to improve capacity on management plan and management technique	Over 6 times trainings and workshops were organized for 5 groups of permit holders on community forestry
1.3.1.	To prepare training materials: curricula,	The materials were prepared and participants

	modules and selection of participants	were selected from permit holders, village leaders, extension workers, government staffs at province and district, and local NGO
1.3.2	To carry out 6 trainings for groups of community	Over 6 times trainings were organised to formulate five yearly planning and annual planning for for 5 groups of right holders

### Output 2. Improved information on access to economic resources

Activity	Planned	Implemented
2.1	To collect data and information on social and economic and social issues at 4 villages	Social and economic data were collected for 5 groups of right holders at 3 villages
2.2.	To analyse access to markets for several products produced by community	The Analysis was conducted by local resource persons with backstopping from researchers
2.3.	To improve capacity of farmer in knowledge and access to timber market and micro financing service providers	Implemented by meetings, business gatherings and field visits resource person from local and from financing provider of BLU at the Ministry Environment and Forestry
2.3.1.	To provide one information package on how to access source of funding	The information was formulated and discussed with stakeholders at Sanggau, followed by field visit
2.3.2.	To carry out business gathering / practitioner's with micro finance service providers	Implemented by presentations and discussions with resource person from CU (local financing- Morakapa and Lantang Tipu), Bank Kalimantan Barat (regional) and financing provider of BLU at the Ministry Environment and Forestry (national)

### Output 3. Improved support from local government to develop community forestry

Activity	Planned	Implemented
3.1.	To disseminate regulations related with community forestry for local government at Sanggau	Dissemination was made through numbers of meetings, presentations of resource persons and partners
3.2.	To carry out 4 times trainings and workshops for village level	Trainings for local, village level government and traditional leaders were organized over 4 times
3.2.2	To conduct trainings and workshops to strengthen capacity of local government on monitoring and evaluation of management plan community forestry	Implemented with local government from various sectors as participants.
3.3.	To formulate one package of local policy to support community activity in Sanggau	Implemented by number of meetings with stakeholders at local level. Local policy was formulated to support the development community-based ecotourism and protection of water source.
3.3.1.	To collect information on existing regulations	Regulations were collected and presented during trainings and workshops

### 3.3. Inputs applied

Items	Total approved	Committed by EA but not spent	Up to date spent	Spent + committed in the period	Remaining fund	Justification for the remaining fund
	(A)	(B)	(C)	(D) (B)+(C)	(A)-(B+C)	
10. Project personal	152.500,00	0,00	152.500,00	152.500,00	0,00	
20. Sub-contracts	24.092,27	0,00	24.092,27	24.092,27	0,00	
30. travel	49.575,93	0,00	49.575,93	49.575,93	0,00	
40. capital items	3.342,18	0,00	3.342,18	3.342,18	0,00	
50. Consumable items	9.969,96	0,00	9.969,96	9.969,96	0,00	
60. miscellaneous	121.104,66	0,00	121.104,66	121.104,66	0,00	
70. ITTO Adm Mon & Evltion	96,097.00	0,00	a/	a/	a/	
90. Global Total	456.680,00	0,00	360.583,00	360.583,00	360.583,00	

a/ Fund retained and accounted for by ITTO – details not available with Executing Agency



## **4. Project Outcome, Target Beneficiaries Involvement**

### **4.1. Specific Objective Achieved**

Throughout the Project timeframe, over 1000 forest communities, government employees, civil society organizations and entrepreneurs learned about forests, local community and about forests managed by local community at Sanggau District of West Kalimantan. They also learned about opportunities and benefits provided by the program on community forestry in order to stimulate the forests be managed sustainably and be used to improve livelihoods of local community. After completed all planned activities, the Project achieved its specific objective to strengthen capacity of local community to sustainably manage community forests at Sanggau.

The development of local institutions in community forestry enriched understanding on rules and regulations concerning community forestry, also the understanding about being members with rights and obligations attached as the permit holders named as IUPHKm. Capacities in entrepreneur of marketing forest products were improved in addition of developing forest and land use management plan were completed. As required by regulation, each of the five groups of community forestry have developed management plan for middle term of five years planning (RKU) and operational of annual planning (RO) for community forestry for the years of 2015, 2016 and 2017.

Several method and approaches were applied in achieving the objective, depending on the message to convey and target group to receive any particular message. In total, the Project organized 12 trainings, 19 meetings and two exhibitions to facilitate the development of local institutions in community forestry. Members of local community participated in study tour outside the island of Kalimantan for three times. Information materials were made available for local communities, many of them took the forms of booklets, and brochures and other printed materials. In addition, web-based materials were developed as promotion to reach wider audiences. In fact, numbers of activities which have been organized by the Project were exceeded than it was targeted in the document of proposal. That because the Project built strong collaboration with local government and attain substantial supports for conducting the activities.

Indicators for the achieved objective of development of local institutions in community forestry can be verified as follows:

- Description about characteristics of the five groups of community forestry at Sanggau, in term of social-economy, land resources and land-uses. The description included local understanding about policies and programmes on social forestry, rights and obligations as member of community forestry.
- Formulation of management plan for forest and land uses by 5 groups of community forestry to serve as guidance operating activities for five yearly and yearly.
- Promotion of forest products (i.e resam of fern type, rattan and wooden handicrafts, bamboo shoots for food) in various occasions at local and national events
- Establishment of collaboration among multi-stakeholder, that include local community, local government, semi-government and civil society organization. The collaboration were presented among others in forms of demonstration plots on organic farming, development of eco-tourism on protected forests inside the area of community forestry, development of handicraft groups in community forestry which majority women as active members.
- Financial support (CSR) from the Bank of West Kalimantan granted for the women group members of community forestry to improve skills in handicraft making and in marketing the product.

- Establishment of three entrepreneur groups as part of the community forestry group. These include the group for production and promotion of organic fertilizer, the group for promotion Riam Jito protected area as destination of eco-tourism, and the group for production and promotion of handicraft making from non-timber forest products.
- Reports, Brochures and Publications, also Presentations from various activities to strengthen local institutions and promote community forestry in Sanggau.

Poor infrastructure and technological limitation inhibit community to innovate new products for improving their livelihoods. Three sub-activities were implemented with intention for community to have better access on information which are needed for developing economic resources. These sub-activities include the following: collection of data and information on social and economical situation about project area, and data on bio-physical condition in the area; market analysis for forestry products, and improved knowledge on market access and micro financing.

Several approaches being used to improve access on information that can be used to develop economic resources in the area of community forestry. Among of them include survey on social-economic and bio-physical condition for each location of community forestry group. Other approach include trainings, coordination meetings, assignment of consultants and analytical studies were conducted to achieve the output.

Progress of the activities can be verified among others through the following indicators:

- Construction of better roads, instalment of clean water supply and irrigation for rice-fields provided by local government as incentives given into the area of community forestry
- Analytical works, policy papers, and presentation also market analysis and institutional analysis of community forestry
- Installation of Web-GIS into the web of FOERDIA, establishment of fb and other communication tools to promote and communicate the works of community forestry at Sanggau District
- Reports from trainings on entrepreneurships and module developing entrepreneurship for community forestry
- Installation and provision of micro-hydro energy to increase productivity as well as to conserve water resources at the village Sei Dangin of Kembayan Sub-District, in collaboration with local government
- Presentation about micro-finance from Credit Union of Lantang Tipo and Mora Kapa, and the presentation given from the financing agency at the Ministry Environment and Forestry so-called BLU.
- Provision of networking with semi-private organization of Dekranasda and Bank of West Kalimantan to provide incentive and to develop market for local handicraft.

Better supports from local government were achieved for developing community forestry. The Project acknowledged the important roles of local government in bringing successful implementation of certain policy. Local government harmonizes development plans from various sectors and controls land uses under categorization of forestlands and non-forestlands. With regard to the development of community forestry, roles of local government were strengthened on policy dissemination, on formulation of regulatory and building

capacity of local community and stakeholders involved. Through combined methods of discussions, policy dialogues and trainings, also meetings, specific objective was achieved and can be verified by the following indicators:

- New permits on community forestry being granted by the Ministry Environment and Forestry in year 2017 for five groups of local community to utilize the area of 3850 of state forests
- Promotion on the products of community forestry made by local government in various events at both local and national level
- Allocation of budget from local government to support the installation of micro-hydro at one of community forestry location
- Allocation of budget from local government to support the development of eco-tourism inside the area of community forestry, and the establishment of group on tourism awareness so-called 'Pokdarwis'
- A decision letter from the Head of District Sanggau to support the establishment of self-sufficient village program at the area of community forestry
- Multistakeholder Agreement confirmed by Head of Sub-District on the development of Eco-tourism at the village of Mobui.

#### **4.2. Contribution to Achievement of the Development Objective**

The Project contributed the program of community forestry by means of accelerated implementation of the program through new understanding among stakeholders in particular at district level about the concept of community forestry. It clarified incentives offered by the program and it thought about arrays partnerships to induced the development of community forestry in the country.

With regard to the tangible outputs, the Project contributed as follows:

- Expansion of forest area under the management of community forestry by added 3850 ha of state forests granted from the Ministry with the permits on forest management for 5 groups of local communities. By this, in total 10 groups of local communities held the permit on forest management at the area 8850 ha.

With regard to sectoral policy and program, the Project contributed as follows:

- Provision of better infrastructure built by local government to complement incentives provided by the program of community forestry. At the village Mobui, local government built irrigation system, provided clean water and improved roads
- A model of partnerships at various level of local-regional-national and partnerships among government agencies to boost incentives for community forestry
- Landscape emerged as suitable approach to address both ecological, social and economic issues associated with the program of community forestry.

With regard to the physical environment:

- Protection of mixed-fruits forest garden of tembawang by the adat traditional regulations as sources of water, foods and woods that to be managed for community-based ecotourism at Riam Jito waterfall of the village Mobui and the use of river Aret as hydro power to light electricity at the village Sungai Dangin.

- Production house for organic fertilizer established to support organic farming promoted by agricultural sector and to improve fertility of soil that already been used up by chemical fertilizer.

### **4.3. Participation of Target Beneficiaries**

Since its early implementation, the Project worked closely with stakeholders to gather their understanding about the program on community forestry and understanding about benefits from having the permit for local community. Main beneficiaries were targeted for local community, members of community forestry who hold the permit on forest management for 35 years duration. This permit holder accounted for 509 households or about 2500 residents inside the forest of Sanggau. The benefits however expanded into wider area of Sanggau and its neighboring district of Sekadau through their participation in various meetings and trainings organized by the Project.

Local NGO of YPSBK also benefitted, in addition of Project partner of FKMM and local government of Sanggau. Their involvement in every activities gave insights on how community forestry being perceived by diverse parties and enriched experiences that can be shared into other locations. For the local government, it stimulated the development of remote region beside it helped in controlling the region.

The executing agency of FOERDIA benefitted in implementing action research and in finding innovations from management of forests by community through involvement of researchers in various activities.

Finally the Ministry Environment and Forestry benefitted from consolidation of ITTO with other agencies in implemented Project activities and disseminated policies and programs. They inputted empirical evidences into the process of policy formulation, its monitoring and evaluation.

### **4.4. Situation at Project Completion**

The Project strengthened capacity of local community to manage forests sustainably after completed activities of the following:

- Organized over 50 trainings, meetings and field visits, involving over 200 participants
- Facilitated over 20 field visits and observations
- Formulated 6 (six) analytical studies
- Organized and participated at least 5 business gatherings to promote community forestry and its products
- Preparation of at least 1000 copies of materials
- Supported the formulation of collaborative agreements between foerdia with partners
- Expanded forest area under the management of community forestry and doubled number of right holders on community forestry at Sanggau.

### **4.5. Expectation of Project Sustainability**

- Tangible outputs produced by the Project served as initial means to develop village-owned enterprise or BUMDES which being promoted by the Ministry of Villages and Rural Development or *Menteri Pedesaan*. Discussions were already been initiated and the groups of community forestry actively involved.

- Maintained involvement of Sanggau at networking fora in social forestry at the national and provincial levels to assure continued supports from the government and to upscale lessons learned from the approach into the national level.
- Early involvement in Project activities for the new established Forest Management Unit or KPH Sanggau Timur with their extension workers. Through action researches, FOERDIA escorts enforcement of the new regulation to link performance of community forestry with the performance of KPH and its extension workers.
- Registered the 10 groups of community forestry at Sanggau under the supervision of Social Forestry office based in South Kalimantan to enable the groups in receiving assistantships from the government, which among others in the form of trainings and other activities that are needed to strengthen local institutions.
- Mainstreamed the activities of community forestry into the development process of regional planning through *Musrenbang* at both village and district level.

## 5. Assessment and Analysis

Rationales of the Project based on the argument that strong capacity of local community could accelerate implementation of the program on community forestry. Initial identification showed community forestry at Sanggau was not in operation due to low understanding about the program and no body or agency took in charge to lead the process on-going and progressing. As stakeholders were adequately been identified, their roles and positions in operating community forestry could be built accordingly. Quantitative impact in term of economic gained, yet it cannot be presented at the time being since the impact may take some few years to become significantly effect. Nevertheless, in term of institutional development it significantly gave positive impact through mobilization assistantships from local government and NGO's. That positive impact could also be presented from full numbers of invitees participated in every activity.

Secondly, the rationales were built from past experiences of SFDP Project that took landscape as an approach to address community forestry. The approach fitted with existed permits granted for local community, whereby forest lands were utilized for many kinds of uses such as rubber garden, mixed fruit forests cultivation, virgin forests and agriculture cropping, fisheries, also for settlements. Arrays of complex farming system practiced by community forestry in Sanggau used low input technology for food production and its delivery to market. Limited infrastructure in terms of road networks, public facilities, health care and education in addition of absent of electricity aggravated backward situations at Project sites.

Acceptance from traditional *adat* rules for having new technology in farming practices, for gaining financial supports and for marketing forest products and services indicated expectations from the communities for having better livelihoods. Better infrastructure and facilities provided by the local government signed for the needs of multi-sector approaches to develop community forestry. Through the program of community forestry, economic development at remote regions were stimulated and enforced.

Involvement of resource persons with knowledge and experiences about the site helped in focusing formulation of the problems. Remoteness of the project location and distance among the five sites of locations were overlooked during project formulation due to limited information at that time. Local context and national circumstances influenced Project implementation, in this case provided opportunities to enrich the Project with multi-sector approach. Enactment of new law on local government and re-organization at the Ministry Forestry re-arranged roles and positions of stakeholders in community forestry. Provision of technology, better infrastructure attained from project partners through various agreements enhanced the supports from local community and stimulated local government to push development program into the site.

With regard to the differences between planned activities and its implementation, the Project benefitted from resource persons from the district and surrounding areas, instead of hired consultants from Jakarta. The use of local knowledgeable persons from district government or non-government stimulated stronger sense of ownerships upon the Project activities, created more familiar environment during meetings and discussions, also optimized project resources.

Provision of equipment was not included in the Project formulation, but the Project made them available for community by means of utilizing the collaboration between FOERDIA with other Ministries. The approach was appreciated by local community who used the equipment for gaining income from producing organic fertilizers, beside for improving fertility of land. It helped the local government to achieve its target in implementing the agricultural program that promoted organic farming. Accordingly, low inputs technology at the sites combined with emergence of organic farming and new policy promoting social forestry as national priority gave opportunities to get multi-sector supports and stronger acceptance from local communities. Rather than variation, some adjustment served project innovation to adapt into dynamic situations at national and local level.

Project inputs were adequate for project formulation as well as for implementation in term of personnel and equipment, knowledge and expertise. Project Steering Committee was established and provided the Project with backstopping for managerial aspects as well as in-depth scientific and operational inputs through annual meetings as well as field visits. Financial suspension for about 8 month's duration slowed down activities of the Project which resulted into extension of project duration.

Policy changed at national level followed by re-structuration of organization at the Ministry Forestry provided opportunities for the Project to apply multi-sector approach and strengthened the roles of traditional *adat* rules. However, changed organization of the Ministry Forestry at district level challenged the support from local government since authority on natural resource management, including on community forestry were taken up into the authority of provincial government, and not anymore at district level. For that reason, the Project involved KPH as partner early from the beginning when the organization was still under development.

Beneficiaries of the project will play their roles to support the development of community forestry. Local community aware on rules and regulation to support the existence of forest landscape and they will incorporate the rules into formal village planning of *musrenbang*. Local government will developed infrastructure and public facilities as reward for the communities in keeping forest landscape sustainable. Local CSO's of YPSBK will continue the roles to bridge and assist community forestry in networking, in marketing forest products into *Dekranasda* and KPH and in developing ecotourism, also will assist in other matters given relationships which already been established with the community. Institutions involved were actively responsible in their roles and contributed their support to the project when was necessary.

Overall, no significant problems faced by the Project in management, monitoring and control, fulfilled effectively the targets and expenditure efficiently.

## 6. Lesson Learned

### 6.1. Project Identification and Design Matters

FOERDIA in particular Research Center on Socio economic Forest Policy and Climate Change experiences and expertise decreased the risks and the problem related with project design and stakeholder identification. As matter fact, the demand for capacitation is continues without clear signs that it will be met in the next few years.

One of the main threat for project implementation was financial suspension that delayed implementation of the project for few months. However, that happened temporary and after all it progressed accordingly.

Pre project workshop might be needed at provincial level to incorporate and enrich inputs from various resource persons having experiences about the site, among others the ex SFDP project members given the long-term implementation of the project. The proposed arrangement could result into adjustment of budget proposal into more realistic given field condition that remote and lack in infrastructure.

Selection and assignment of project personnel contributed to the successful implementation of the project, since it was not only demand managerial skill but also understanding about the substance of community forestry. That requirement particularly important for dynamic situation faced by project implementation. Selection of field coordinator played crucial roles for finding correct person who understand local context and have good relationships with local community.

Project planning was adequately formulated, minor adjustment during implementation due to external factors beyond control of the project but they provided opportunities, instead. Capacity of local government to harmonize multi-sectors development activities and support the development of community forestry key for project sustainability after completion.

### 6.2. Operational matters

#### Project organization and management

Organization of the Project and management under the supervision of the Research Center on Socio Economic Forestry Policy and Climate Change of the FOERDIA. A PMU was established and PSC provided guidance and backstopping for project implementation.

#### Flow of funds

Smooth and adequate flow of fund, except during temporary *force majeure* of financial suspension

Roles and responsibilities of the institutions involved in the Project management were defined in accordance with expertise and authority in relation with community-based forest management.

#### Project documentation

Documentation and reports were available in forms of soft copies, printed materials both at PMU and stored at OLMS



### Monitoring and evaluation

Monitoring and evaluation were conducted through field visits, management meetings both by PMU of FOERDIA as well as by ITTO through OLMS

### External factors

Implementation of the scheme of community forestry depends on many factors, of which the extent or present of assistantship for community play important role given most community forestry located at remote region. Constraints and opportunities provided by the scheme shall be communicated to the communities and they shall be consolidated with available resource at given location.

Many factors and diverse interests of actor need to be taken into account in strengthening institutions of community forestry. Multi-stakeholder approach provides opportunities to collaborate and consolidate those interests into sustaining forest resources.

Changes of regulatory at national level influence interpretation on how the scheme of community forestry be implemented and local institutions be strengthened. Consistence policies is needed and it shall be supported with harmonious programs from other sectors of ministries.

Implementation of community forestry encompasses farming system practices, clarity governance on land-use and market are equally important as clear and fair governance in forestry.

## **7. Conclusions and Recommendations**

### **7.1. Identification**

The Project had their thoughtful actions, toward achieving full compliance the goals and objectives in the times and periods established. This plan involved the project team, with all professionals and technical resources and partner institutions. The planning occurred in the form of meetings and discussions to develop strategic plans of actions, roles and responsibilities of responsibilities of Project participants.

### **7.2. Design**

The design of the project focused on the more efficient ways to strengthen community-based forest management considering the targets and scope. Also took into account logistical and operational conditions in the region, as well as roles of the government at each level of the national, provincial and local level.

### **7.3. Implementation**

Implementation of the Project took into account political changes at national level that effect on national development program. It also considered the changes on rules that regulated authority of local government in natural resource management that effect on the organization of local government and authority in forest management, including the management of community forestry.

### **7.4. Organization**

Organization of the Project involved various agencies both government and non-government institutions at the national, provincial or regional and at district level. The organization was successful due to previous experiences with ITTO's Project from executing agency, as well as reinforcement the logistical conditions necessary to execute these activities.

### **7.5. Management**

Management of the Project was coordinated by a researcher who dedicated full time work for the Project and received full support from the research institute. The management was successful and strengthened capacities of the staffs at research institute.

### **7.6. Potential for replication and/or for scaling up**

The new policy that promotes social forestry as priority for developing the country indicated capacity building need to be done in the next years and the Project provided lessons learned working with community under the complex circumstances and dynamic situations.

### **Responsible for the Report**



**Name: Dr. Retno Maryani**

**Position held: Project Coordinator**

**Date: 6 August 2018**

# Annex 1. Project Financial Statement

## PROJECT FINANCIAL STATEMENT

Project No. TFL-PD 32/13.Rev 2(M)

Period ending on: February 2018

Project Title: Strengthening the Capacity of Local Institutions to Sustainably Manage Community Forestry in Sanggau for Improving Livelihood

Component	Original Amount (A)	Modified	Expenditures To-date			Available Funds (E) { A - D }
		Approved Amount (A)	Accrued (B) a/	Expended (C)	Total (D) { B + C }	
<b>I. Funds managed by Executing Agency</b>						
10. Project Personnel						
11. Project Coordinator	48,000.00	70,000.00		70,000.00	70,000.00	-
12. Project Secretary	14,400.00	21,600.00		21,600.00	21,600.00	-
13. Finance	14,400.00	16,800.00		16,800.00	16,800.00	-
14. Field Coordinator	24,000.00	35,000.00		35,000.00	35,000.00	-
15. National Consultant	31,000.00	6,000.00		6,000.00	6,000.00	-
16. Facilitator	3,500.00	-		-	-	-
17. Resource Person	1,800.00	3,100.00		3,100.00	3,100.00	(0.00)
18. Training Consultant	10,000.00	-		-	-	-
19. Component Total:	147,100.00	152,500.00	-	152,500.00	152,500.00	(0.00)
20. Sub-contracts						
21. Sub-contract - Workshop	28,000.00	24,092.27		24,092.27	24,092.27	-
29. Component Total:	28,000.00	24,092.27	-	24,092.27	24,092.27	-
30. Travel						
31. Daily Subsistence Allowance	3,280.00	29,846.80		29,846.80	29,846.80	(0.00)
32. Domestic Ticket	10,520.00	13,006.58		13,006.58	13,006.58	0.00
33. Local Transport Costs	31,700.00	6,720.55		6,720.55	6,720.55	(0.00)
39. Component Total:	45,500.00	49,573.93	-	49,573.93	49,573.93	(0.00)
40. Capital Items						
41. Personal Computers	1,200.00	593.98		593.98	593.98	-
42. Laptop	1,000.00	825.78		825.78	825.78	-
43. Printer/ Fax Machine	300.00	-		-	-	-
44. LCD Projector	600.00	373.94		373.94	373.94	-
45. Video Camera	1,200.00	1,548.48		1,548.48	1,548.48	-
49. Component Total:	4,300.00	3,342.18	-	3,342.18	3,342.18	-
50. Consumable Items						
51. Office Supplies	4,800.00	5,408.82		5,408.82	5,408.82	0.00
52. Phone/communications	2,400.00	1,295.44		1,295.44	1,295.44	(0.00)
53. Photocopy	4,400.00	3,265.70		3,265.70	3,265.70	0.00
59. Component Total:	11,600.00	9,969.96	-	9,969.96	9,969.96	0.00
60. Miscellaneous						
61. Meeting	28,600.00	23,350.23		23,350.23	23,350.23	(0.00)
62. FGD	12,000.00	27,982.13		27,982.13	27,982.13	0.00
62a. Business meeting (Workshop)	4,500.00	5,296.62		5,296.62	5,296.62	(0.00)
63. Training	63,750.00	31,851.08		31,851.08	31,851.08	0.00
64. Finance audit	6,000.00	5,500.00		5,500.00	5,500.00	-
65. Distribution and dissemination	2,000.00	3,824.42		3,824.42	3,824.42	(0.00)
66. Display area	20,000.00	3,037.58		3,037.58	3,037.58	0.00
67. Layout and reproduction	2,000.00	1,830.07		1,830.07	1,830.07	(0.00)
68. Project preparataion	5,000.00	5,000.00		5,000.00	5,000.00	-
69. PSC Meeting	3,000.00	4,908.68		4,908.68	4,908.68	0.00
70. Publication and reproduction Office Space	2,400.00	8,523.85		8,523.85	8,523.85	0.00
69. Component Total:	149,250.00	121,104.66	-	121,104.66	121,104.66	(0.00)
70. Total Project	385,750.00	360,583.00	-	360,583	360,583	0
80. National Management Costs						
80. Executing Agency Management Costs	55,050.00	55,050.00		55,050.00	55,050.00	-
Sub-Total:	440,800.00	415,633.00		415,633.01	415,633.01	-
90. Project Monitoring & Administration						b/
91. ITTO Monitoring and Review	12,000.00	12,000.00				b/
92. ITTO Ex-post Evaluation	10,000.00	10,000.00				b/
95. ITTO Programme Support Costs	48,930.00	48,930.00				b/
100. Component Total:	70,930.00	70,930.00				b/
90. Refund of Pre-Project Costs (Pre-Project Budget)	-	-				b/
Sub-Total:	70,930.00	70,930.00	-	-	-	b/
100. GRAND TOTAL:	511,730.00	486,563.00	-	415,633.01	415,633.01	

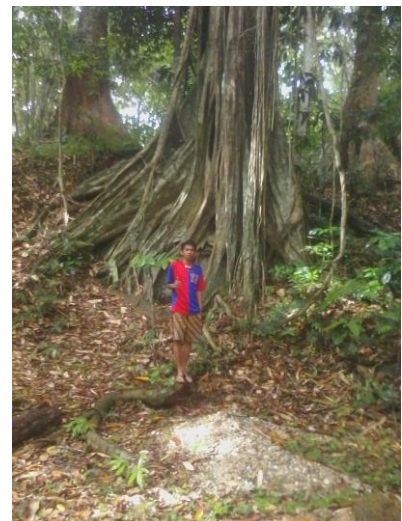
## Annex 2 Project Cash Flow Statement

<b>PROJECT CASH FLOW STATEMENT</b>				
Project No. TFL-PD 32/13.Rev 2(M)		Period ending on: February 2018		
Project Title: Strengthening the Capacity of Local Institutions to Sustainably Manage Community Forestry in Sanggau for Improving Livelihood				
	Reference	Date	Amount	
			in US\$	Local Currency (IDR)
<b>A. Funds received from ITTO:</b>				
1. First instalment	G0143491255101	12/15/2014	100,000.00	1,259,300,000.00
2. Second Instalment	G0160260784701	1/26/2016	100,000.00	1,382,500,000.00
3. Third instalment			56,425.00	746,220,625.00
4. Fourth instalment			68,408.00	901,617,440.00
5. Fifth instalment			35,750.00	477,977,500.00
other revenue			1,290.03	16,881,269.16
Executing Agency Fund			55,050.00	723,892,800.00
Total Funds Received:			<b>416,923.03</b>	<b>5,508,389,634.16</b>
<b>B. Expenditures by Executing Agency:</b>				
10. Project Personnel				
11. Project Coordinator			70,000.00	927,376,000.00
12. Project Secretary			21,600.00	283,560,800.00
13. Finance			16,800.00	225,788,400.00
14. Field Coordinator			35,000.00	466,362,000.00
15. National Consultant			6,000.00	76,438,500.00
16. Facilitator			-	-
17. Resource Person			3,100.00	39,881,488.40
18. Training Consultant			-	-
19. Component Total:			<b>152,500.00</b>	<b>2,019,407,188.40</b>
20. Sub-contracts				
21. Sub-contract - Workshop			24,092.27	320,241,683.21
29. Component Total:			<b>24,092.27</b>	<b>320,241,683.21</b>
30. Travel				
31. Daily Subsistence Allowance			29,846.80	396,205,351
32. Domestic Ticket			13,006.58	171,816,759
33. Local Transport Costs			6,720.55	89,600,078
39. Component Total:			<b>49,573.93</b>	<b>657,622,188</b>
40. Capital Items				
41. Personal Computers			593.98	7,480,000.00
42. Laptop			825.78	10,399,000.00
43. Printer/ Fax Machine			-	-
44. LCD Projector			373.94	4,709,000.00
45. Video Camera			1,548.48	19,500,000.00
49. Component Total:			<b>3,342.18</b>	<b>42,088,000.00</b>
50. Consumable Items				
51. Office Supplies			5,408.82	71,810,275.63
52. Phone/communications			1,295.44	17,295,503.68
53. Photocopy			3,265.70	43,523,675.68
59. Component Total:			<b>9,969.96</b>	<b>132,629,454.98</b>
60. Miscellaneous				
61. Meeting			23,350.23	308,011,047.65
62. FGD			27,982.13	366,999,420.28
62a. Business meeting (Workshop)			5,296.62	71,400,182.55
63. Training			31,851.08	418,875,997.98
64. Finance audit			5,500.00	73,927,500.00
65. Distribution and dissemination			3,824.42	50,617,056.60
66. Display area			3,037.58	40,149,916.76
67. Layout and reproduction			1,830.07	24,234,315.91
68. Project preparataion			5,000.00	62,965,000.00
69. PSC Meeting			4,908.68	64,935,128.84
70. Publication and reproduction			8,523.85	113,511,484.18
Office Space			-	-
69. Component Total:			<b>121,104.66</b>	<b>1,595,627,050.75</b>
			<b>360,583.01</b>	<b>4,767,615,565.00</b>
80. National Management Costs				
80. Executing Agency Management Costs			55,050.00	723,892,800.00
79. Component Total:				
Total Expenditures To-date:			<b>415,633.01</b>	<b>5,491,508,365.00</b>
Remaining Balance of Funds (A-B):			<b>1,290.03</b>	<b>16,881,269.16</b>



# Annex 3. Photography record

## Land Use





## Developing Local Institutions In Community Forestry



## Submission of 5 (five) new proposals IUPHKm



## The groups of IUPHKm were facilitated to formulate the document for ten year plan (RKU) and Operational Plan (RO)



## Development forest-village based tourism



**Project facilitated the meeting between council of handicraft at Sanggau named as Dekranasda with the Bank which granted Corporate Social Responsibility (CSR) on funding the six groups of women handicrafts**





## Trainings





**Two DGs from the Ministries of Industry and Forestry signed the MOU for developing self-sufficient industrial village of Desa Industri Mandiri/DIM by using the Hutan Kemasyarakatan at Sanggau as the basis**



**Sets of equipment to produce organic fertilizer provided by the Ministry of Industry to the group of community forestry at Sanggau**



## Training and Production Liquid Organic Fertilizer (POC)





# Handycraft





## Exhibitions





**The Project facilitated BLU to give presentation about credit scheme at Sanggau**



**Microhydro**

