

United Nations Development Programme

Country: Indonesia

Project Document

Project Title: Participatory Governance Assessment (PGA) for REDD+ Implementation in Indonesia

UNDAF Outcome 3: People participate more fully in democratic processes resulting in pro-poor, gender responsive, peaceful, more equitable and accountable resource allocation and better protection of vulnerable groups.

Expected CP Outcome: Justice providers and institutions are more effective in protecting human rights, and citizens enjoy improved access to justice.

Expected Output: Policy/regulatory frameworks and stakeholder capacities related to sustainable management of natural resources at national and targeted subnational levels strengthened to guarantee the rights of local and indigenous communities.

Implementing Partner: UNDP Indonesia

Upon request by the government of Indonesia, UNDP will directly implement the project in order to ensure the integrity and neutrality of the PGA process and results, working closely with UKP4, the Ministry of Forestry, the National Development Planning Agency, the Ministry of Environment and civil society organizations.

Key Partners: UKP4, the Ministry of Forestry, the National Development Planning Agency

Brief Description

The success of the REDD+ agenda is highly dependent on the preparedness of Indonesian institutions and citizens to meet the challenges of achieving the goals set out in the Draft of National REDD+ Strategy. The Participatory Governance Assessment (PGA) aims to assess factors related to the successful implementation of the REDD+ agenda, which include legal and regulatory frameworks, capacities of key stakeholders (including the government, judicial and legislative bodies, civil society organizations, adat (indigenous communities) and the private sector), and forest management performance. This will take place in the context of two cross-cutting factors, which include anti-corruption principles and land conflict dispute resolutions. In order to ensure the integrity and neutrality of the PGA process and results, UNDP will directly implement the project, working closely with UKP4, the Ministry of Forestry, the National Development Planning Agency, the Ministry of Environment and civil society organizations.

Through the establishment of an Expert Panel and dialogues with a range of stakeholders, key components of the project are as follows:

- Baseline information on the quality of governance related to Indonesia's preparedness in implementing REDD+.
- Policy recommendation on urgent governance issues related to REDD+ readiness and implementation in Indonesia and necessary approaches to guarantee the human rights of indigenous communities and other forest-dependent communities during REDD+ implementation in Indonesia.
- Roadmap for REDD+ governance to define and describe the best ways to strengthen forest and REDD+ governance structures and practices.
- PGA tool as a monitoring and evaluation instrument for REDD+ in Indonesia, including consensus among stakeholders on REDD+ governance indicators, measurement aspects, target setting as well as establishment of monitoring and follow up mechanism.

Programme Period: 2012

Key Result Area (Strategic Plan)

Atlas Award ID:

Start date: January 1, 2012
End Date: December 31, 2012

PAC Meeting Date: _____

Management Arrangements: _____

Total resources required 500,000

Total allocated resources: 500,000

- Regular UNDP Track Fund 25,000
- Other:
 - UN-REDD Global Programme 325,000
 - Donor

Unfunded budget: 150,000

In-kind Contributions

Agreed by (UNDP):

Situation Analysis

Indonesia has committed to reduce its greenhouse gas (GHG) emissions by 26% or up to 41 % with international support. According to the National Action Plan for the Reduction of Green House Gases, the forestry and peatland sectors are expected to contribute up to 87 percent. The strong commitment shown by the Indonesian government can contribute significantly to mitigate climate change issues. It is because increasing greenhouse gases emissions has influenced the quality and sustainability of human lives, including in Indonesia. Increasing emission or release of greenhouse gases (GHG) into the atmosphere, mainly in the form of carbon dioxide (CO₂), nitrogen dioxide (NO₂), and methane (CH₄) gases, due to various human activities, have triggered changes in temperature and increase in sea level which have caused highly extreme climate variability in various parts of the world. This has triggered disasters such as hurricanes, floods, prolonged droughts, and loss of biodiversity in many areas in Indonesia. Whether directly or indirectly the impacts have obviously affected global environmental quality and availability of natural resources, hence it threatens the sustainability and quality of human lives.

Forest is an important ecosystem which has been reduced in size and quality. Accelerated decline of forest cover, known as deforestation and forest degradation⁸ in tropical countries, such as Indonesia, Brazil, Congo and others, is allegedly resulting in high contribution of GHG emissions from forestry sector globally. The Intergovernmental Panel on Climate Change IPCC (2007) noted that the forestry sector contributed 17.4 percent to the total global emissions. Combined with the agriculture sector, contribution of emissions from land-use change (land-use change and forestry/LUCF) will increase up to 30.9 percent of total global emissions (IPCC, 2007).

Emissions generated from forestry sector in tropical forest countries, turn out to be the main contributor of high GHG emissions in comparison to other sectors such as energy, transportation, agriculture. In its report to the United Nations Convention on Climate Change (UNFCCC), Indonesia generated GHG emissions by 1.4 Gton CO₂e in 2000, of which 821 Mt of CO₂e or 58 percent of Indonesia's total emissions produced from the forestry sector (MoE, 2009). Deforestation and forest and peatlands degradation have become the prime factors of high emission in Indonesian forestry sector. In addition to threatening global balance, deforestation and degradation of forests and peatlands in Indonesia are serious threats to local livelihoods, watershed function, and biodiversities.

According to Ministry of Forestry data (2008), deforestation and forest degradation rate was considered high and was estimated at 1.17 million ha/year during the period of 2000 to 2006. Calculation of deforestation based on image interpretation of Landsat 7 ETM+ in 2002/2003 and 2005/2006 (Ministry of Forestry, 2008) showed that a deforestation rate in Indonesia during the period of 2000 to 2006 was 3.52 million ha, or an average annual deforestation rate of 1.17 million ha per year. This figure has decreased quite significantly, compared to the period between 1990-1996 with an average deforestation rate of 1.87 million ha per year. During the period of 1996 to 2000, it had increased rapidly, and the number reached 3.51 million ha per year. Based on the historical data, rate of deforestation in Indonesia is projected to be around 1.1 million ha per year. Meanwhile, the average degradation caused by logging activities was 0.626 million ha per year (DG of Forestry Planning, 2010).

Deforestation in forest area is 64.8 percent (0.76 million ha/yr) and deforestation outside forest area (area for non-forest purposes) is 35.2 percent (0.41 million ha/year). Out of 64.8 percent of deforestation inside forest area, approximately 52.8 percent (620.2 thousand ha/ year) occur in secondary forest, 4.5 percent (52.3 thousand ha/year) in primary forest, and 7.6 percent (88.7 thousand ha/year) in other areas. Out of 35.2 percent of deforestation in area for other purposes,

30.6 percent (359.1 thousand ha) occur in secondary forest, 2.1 percent (24.1 thousand ha/year) in primary forest and 2.5 percent (29.7 thousand ha/year) in other areas.

Enabling Policy

The Government of Indonesia shows a high level of commitment to address climate change. This is reflected in the enactment of a number of laws and policies which serve as the basis of Indonesia's involvement in tackling climate change. Indonesia ratified the United Nations Framework Convention on Climate Change in 1994 and the Kyoto Protocol to the United Nations Framework Convention on Climate Change in 2004.

At regulatory level, Indonesia also issued Law No. 32/2009 on Environmental Protection and Management. In the context of reducing deforestation and forest degradation, the contribution of this law lies in the obligation of the Government to conduct an inventory of natural resources, including forests and peatlands, which will serve as a basis for environmental planning, management and protection. This law also requires the preparation of strategic environmental assessment to ensure consideration of environmental carrying capacity as the basis for the preparation and evaluation of the long-term development plan (RPJP) and the national medium term development plan (RPJMN).

At the lower legislation level, the Government of Indonesia issued Presidential Decree No. 361/2011 on Work Plan for Reducing Emissions of Greenhouse Gases as a follow up to the implementation of the Bali Action Plan (COP 13), COP 15 in Copenhagen, COP 16 in Cancun and the Government's commitment to reduce emissions voluntarily by 26 percent up to 41 percent. The action plan itself includes a core activity that directly reduces greenhouse gas emissions as well as indirect activities in the agriculture, forestry, peatland, energy, transportation, industry and waste management sectors. The work plan is to be used by local governments, business actors and the community to reduce greenhouse gas emissions.

Concerning the reduction of greenhouse gas emissions from forestry and peatland sectors, the Government of Indonesia has also issued a Presidential Decree on the establishment of a Presidential Task Force to prepare for the implementation of REDD+ activities in Indonesia in 2010. This presidential decree mandates the Task Force, headed by Dr. Koentoro Mangunsubroto, to prepare for REDD+ agency, develop national REDD+ strategy, establish MRV system, select pilot provinces and apply moratorium on new forest clearance and peatland for two years. In connection with the moratorium on new permits, the President issued Presidential Instruction No. 10/2011 which assigns ministries and relevant agencies to ensure that the implementation of a moratorium on new licenses and improvement of forest and peatland governance can meet the set targets.

President of Indonesia also issued Presidential Instruction No. 4/2005 on Combating Illegal Logging in Forest Areas and the Distribution throughout Indonesia. Based on data from the Ministry of Forestry, the instruction triggered a more intensive enforcement on the field and in the years 2005-2008 alone there were around 1572 cases of illegal logging. Minister of Forestry has also issued Decree No. Menhut 478/Menhut-II /2010 on the formation of a working group consisting of Ministry of Forestry, Judiciary Mafia Task Force, and Presidential Work Unit for Development Monitoring and Control (UKP4) to conduct assessment and propose settlement on violations in the forest. Recommendations of the working group will be monitored and implemented by UKP4.

Challenges Faced:

Weak Forest Governance

Although a number of regulatory and policy framework have been issued by the Government to tackle climate change both directly and indirectly, the results of stakeholder consultations conducted by the National Development Planning Agency with the support of UN-REDD Programme Indonesia concluded that the high rates of deforestation and forest degradation are caused by forest governance issues. The first challenge is that spatial planning does not function effectively as a control instrument to ensure equitable and sustainable forest utilisation, along with unresolved tenurial issues. As a result, conflicts of forest ownership and utilisation with the mining, farming and agriculture sectors have increased. The conflict is exacerbated by unclear status and boundaries as well as gazettment process which do not fully accommodate the rights of the indigenous people.

The second challenge is that forest management does not function effectively and does not provide a sense of justice. Ineffective forest management is also due to the limited availability of credible data that are agreeable by all parties. For example, up to now there is no single map of forest area which can be used as a reference by all parties. Each person has his own map. This is coupled with the extremely inadequate quantity and quality of resources to exercise control and the low integrity of the people who work in the issuance and control of the permit.

The third challenge is the weak governance in the forestry sector makes it difficult to control rate of deforestation and forest degradation effectively. Permit process lacks transparency and the community is never consulted on the issuance of a permit. Frequently, the issuance of a concession has the potential to create conflict with the community living upstream or downstream and brings negative impact to the community such as environmental damage and pollution which disrupts the livelihood of the people.

The fourth challenge is that the legal base for forest management is still sector approach and overlaps with other sectors, especially sectors that require land such as mining, agriculture, plantation, agriculture and other development sectors. Forestry law does not regulate definition of forest clearly and how the rights of indigenous and local communities are recognized as well as the authorities of the central and local governments. These weaknesses provide loopholes for misuse in forest gazettment and permits/concessions. When forest crime is legally prosecuted, abuse of authority starts from the investigation, trial up to the verdict. As a result, forestry crimes which are legally prosecuted rarely receive heavy sanctions.

Limited Availability of Data on Forest Governance

The results of multistakeholder consultation determined that the main issue that will be faced by REDD+ is weak governance. The current challenge is that there is no comprehensive and measurable assessment to assess the quality of forest governance and REDD+. This data is necessary to develop a measurable action plan particularly in improving the legal and policy framework and improving capacities of governments, civil society, indigenous people and businesses so that the two driving factors are working to meet emission reduction targets that have been set. In addition, the government also needs this data to develop safeguards information system and necessary steps to ensure that social safeguards and governance framework are available as decided at the COP 17 in Durban.

Government action plan to provide a baseline on Indonesia's preparedness in the implementation of REDD+ is lacking governance aspect. Presidential Regulation on Inventorisation of Greenhouse Gases at National Level only seeks to provide periodic information on the level, status, and trends of emission changes and GHG absorption including stored carbon at the national, provincial, district /municipality levels as well as information on the reduction of GHG emission from national climate change mitigation activities. This regulation or other governmental regulations do not require ministries and relevant agencies to measure and provide information regularly on the quality of forest and REDD+ governance as an instrument to measure the success of REDD+ activities.

The importance of good governance in the implementation of REDD+ activities is recognized and reflected in the adoption of seven safeguards. One of the safeguards is forest governance as clearly stated in the text agreed by member countries of the UNFCCC "transparent and effective national forest governance structures." This decision also called upon all countries to develop a Safeguards Information System during the implementation of climate change mitigation activities through REDD+. These factors require the availability of baseline for forest governance and REDD+ to ensure that the preparations of information system and action plan for developing safeguards for forest governance are evidence-based.

Previous UNDP Initiative

UNDP Indonesia is experienced in conducting a large-scale assessment to measure the Indonesian Democracy Index through the Indonesian Democracy Index Project (IDI) under the Democratic Governance Unit. This assessment is a country-led assessment which builds upon the foundation of national ownership. IDI seeks to measure democracy through three important aspects: civil liberties, political rights, and democratic institutions. The three aspects are used to describe the conditions of democracy in Indonesia in terms of the indicators.

Participatory Governance Assessment (PGA) for REDD+ Implementation in Indonesia will use the lessons learned from the development of the Indonesia Democracy Index (IDI) which are successful in terms of two aspects. Firstly, the assessment results were well received by the Government, especially Bappenas and secondly, the instrument will be adopted by the government to measure level of democracy in Indonesia.

Learning from the success of IDI project, PGA for REDD+ implementation is designed to use the successful IDI approaches. Firstly, the formulating team of the assessment tool involves representatives of key stakeholders who have special expertise and gender balance. Secondly, data collection is performed by a third party who has qualified data collectors, data collection network at the assessment location and good access in the government and non government agencies. Thirdly, using multi-stakeholder forum at local level for data collection and report writing so that the expected results can be accepted and used as a decision making tool.

Cooperation with Other Programmes

To prevent overlaps of the project with other units at UNDP Indonesia such as the UN-REDD Programme and REDD+ Project, PGA had been developed through intensive consultations with the two projects. The results of the consultations have indicated that PGA will be able to fill in gaps and has a very high potential for synergy with the other projects. For example, although the UN-REDD Programme Indonesia focuses on helping the Government of Indonesia through the Ministry of Forestry to build REDD+ infrastructure in Indonesia, it does not aim to develop an evidence-based safeguard information system. Therefore, results from PGA can be used by the UN-REDD

Programme Indonesia to prepare Central Sulawesi Province as the location for UN-REDD Programme Indonesia and to develop REDD+ infrastructure, especially the development of governance and social safeguards and Local Action Plan for REDD+.

In addition, the results of PGA can also be used by the UN-REDD Programme Indonesia to develop a capacity building strategy for actors in Central Sulawesi Province particularly on aspects of forest governance, which is still relatively inadequate. Data from PGA will enable a capacity building which is measurable and right on target as it is based on powerful concept framework, systematic data collection and results of comprehensive analysis.

Based on discussions with the REDD+ project, results of PGA can be used in REDD+ implementation in Indonesia as follows: Firstly, in the preparation of legal and policy reforms, the Legal and Policy Working Group of the REDD+ Task Force wishes to use the results of the assessment, especially to address legal rules and policies which do not accommodate principles of good governance in forest planning, administration of rights, control and development of REDD+ infrastructure.

Secondly, results of PGA can also be used as one of the criteria for choosing the second pilot province for REDD+ project. The results of the assessment can identify the province with the best governance out of the 10 REDD+ provinces, including Central Sulawesi. Governance condition determines the success of REDD+ implementation. Better governance at a location means that the project is more likely to succeed. Thirdly, the results of the assessment can be used to develop governance capacity of main actors of REDD+ in a measurable and focused manner at REDD+ pilot provinces. Fourthly, the results of the assessment can also be used by the REDD+ project to develop principles, criteria and indicators of social safeguards and assist the Ministry of Forestry to develop REDD+ safeguards information system.

On the other hand, PGA project can utilise REDD+ network and Working Group. Access to the network and working group will facilitate data collectors to do their jobs and most importantly, the access can help provide accurate data and information. PGA project will also undertake intensive consultation at every stage of the assessment.

In addition to internal collaboration within UNDP Indonesia, PGA also synergises with other agencies such as UNODC, which conducts an assessment on the integrity and capacity of the law enforcement sector, TII, which conducts an assessment on corruption in the forestry sector in the provinces of Aceh, Riau, and Papua and World Resources Institutes (WRI), which is initiating a forest governance index (FGI) in several places in Indonesia. Discussions are conducted since the early stages of PGA initiation to prevent duplications and overlaps with UNODC and TII. For WRI initiative on FGI, the PGA expert panel members will map out the WRI's indicators, methodology and assessment locations to have better understanding what the common ground are and use them as basis for having a close coordination and complement each other. Therefore, consultations and exchange of information, especially on findings, will be undertaken to ensure high level of synergy with UNODC, TII and WRI. It also opens to new initiatives when the project has been going on.

Project Strategy

Given the complexity of Measurement, Reporting and Verification (MRV) of carbon, it may be difficult to assess the results of REDD+ activities solely based on emission reduction. A governance assessment can therefore provide complementary information necessary to evaluate the performance. This project intends to (1) provide baseline information on the quality of governance related to Indonesia's preparedness in implementing REDD+, (2) formulate a policy

recommendation to address urgent governance issues related to REDD+ readiness and implementation in Indonesia and prepare necessary approaches to guarantee the human rights of indigenous and other forest-dependent communities during REDD+ implementation in Indonesia(4) develop REDD+ governance roadmap and collaborative programme (5) establish PGA tool as monitoring and evaluation instrument for REDD+ in Indonesia.

This project is also in line with UNPDF strategic focus areas and contributes to improve: policy frameworks, regulations and capacity at national, provincial and local levels; geographic focus of proposed PGA/REDD+ locations (Aceh, Riau, Jambi, South Sumatra, West Kalimantan, East Kalimantan, Central Kalimantan, Central Sulawesi, Papua and West Papua); and participation of vulnerable groups.

According to the latest draft of the National REDD+ Strategy, strengthened governance related to the forestry sector is a priority of the GoI. This is included in the National REDD+ Strategy objectives (the 3rd draft of the National Strategy REDD+, page 14), which is referred to as the improvement of governance systems and bureaucratic reform of forestry and related sectors. In addition, one of the medium-term objectives of the Strategy is to improve the prosperity of people living in the forest and surrounding areas by increasing their participations in forest management. The achievement of these objectives is based on the principles¹ of effectiveness, efficiency, gender equality, transparency and accountability.

This project will support the achievement of UNDAF Outcome 3: People participate more fully in democratic processes resulting in pro-poor, gender responsive, peaceful, more equitable and accountable resource allocation and better protection of vulnerable groups, and the corresponding Country Programme Action Plan (CPAP) Outcome 3.3: Justice providers and institutions are more effective in protecting human rights, and citizen enjoy improved access to justice.

The project will achieve the above outcomes through the following phases: In the first phase, assessments will be carried out in ten target provinces (nine REDD+ pilot provinces and Central Sulawesi as UN-REDD pilot province) to: provide baseline information on the governance quality related to Indonesia's preparedness in implementing REDD+, formulate policy recommendation to address urgent governance issues related to REDD+ readiness and implementation in Indonesia, develop REDD+ governance roadmap and collaborative programme, and establish PGA tool as monitoring and evaluation instrument for REDD+ in Indonesia. In the next phase, a consultation involving the government and non-governmental organizations will be undertaken to address the findings and recommendations. The project will facilitate information sharing on governance issues related to REDD+ readiness and implementation, and it will be implemented at national and sub-national levels. In addition, the project will provide technical assistance to the Indonesian Government to conduct similar assessments.

Conceptual Framework

This project is developed and implemented with reference to views of experts - particularly experts in the forestry, governance, social and public policy sectors - and identifies a positive correlation between improved governance and reduction of GHG emissions from forestry and peatland sectors. Experts and previous studies are convinced that reduction of emissions from the forestry and peatland sectors is a result of sustainable and equitable forest management.

Governance and REDD+

Deforestation and forest degradation are caused by a number of factors, including market drivers, policies and governance failures which provide incentives to cut down, rather than protect, trees.² These factors have prevented rainforest nations, including Indonesia, from controlling deforestation. The existence of a robust governance system and clear policies (or the lack thereof) also serve as key determinants of the ability of a country to participate in new financial mechanisms for forest protection, including REDD+.

A range of governance factors must be seriously considered for the effective implementation of sustainable forest management, including REDD+. These include effective institutions with clearly defined roles and responsibilities, clear and appropriate laws and policies, clear land tenure and land use planning, effective forest management, equitable forest revenue distribution and economic incentives for local people, mechanisms and authority to implement and enforce laws and policies, monitoring capabilities and access and capability to influence decision-making processes.³

Based on regional public consultations on REDD+ held by BAPPENAS (supported by UN-REDD) in October-December 2010, four main causes were identified as perpetuating deforestation and forest degradation: 1) weak spatial planning and land use exacerbated by the failure of communities to recognize land tenure; 2) weak forest governance marked by the lack of transparency and participation in decision-making processes, especially in the issuance of forest concessions; 3) a lack of harmonization between laws and regulations, and lack of participation of indigenous and forest-dependent people in law making processes and forest management; and 4) lack of effective law enforcement. Under the National REDD+ Task Force, enhancing forest and peatland governance is a priority of the National Strategy for REDD+.

Corruption Risks in REDD+

In response to urgent climate change issues, the international community has pledged significant funding for climate change adaptation and mitigation in developing countries, including Indonesia, and a wide range of mechanisms and institutions for climate change financing are currently being put in place. It is therefore imperative that these funds are spent effectively, and are not lost through corruption. REDD+, which is to be partially funded by developed countries (and potentially through the market), represents a prospective source of new revenue for many developing countries, but also poses significant corruption risks.

Based on the 2009 survey by the Corruption Eradication Commission (*Komisi Pemberantasan Korupsi/KPK*), the integrity of provincial level public sectors is generally low. The KPK gives the provinces a rating of 6.18 points, just slightly above the minimum benchmark of 6.0 points.⁴ The absence of corruption prevention measures and public complaint mechanisms are pointed out as the main contributing factors to that low index, which means that corruption risks in provincial public sector offices are high. Corruption is also rampant in the forestry sector, and as suggested by the assessment of the KPK in 2010, the corruption risk in this sector is found in 19 areas, including regulations and policies, institutional capacities, procedures and human resource management.

These include: 1) the absence of regulations that should prescribe only one map of the forest area as the official reference for all stakeholders; and 2) a lack of clear criteria and standards under the existing Forest Ministerial Decree by which gazettement of a particular area as the forest estate/area can be made. In terms of institutional capacity, the study found a lack of appropriate planning for capacity development at local levels, as a consequence of decentralization policies on the management of forest, including those that aim to develop and strengthen Forest Management Units (KPH) on the ground. In terms of procedures, the absence of a procedure to protect and oversee the forest has been identified, as well as a lack of mechanisms to evaluate the performance

² Trines, 2007 in REDD and Forest Governance, Chatam House, 2008

³ REDD and Forest Governance, 2008 and WRI Working Paper, 2009

⁴ KPK, Indonesia: Public Sector Integrity 2009 - Corruption Facts in Public Services, Jakarta 2010, p. 60 -61.

of local government institutions in protecting and overseeing the forest. The poor quality of human resources also impacts the oversight and management of forests at the local level.⁵ Given that corruption is widespread in the forestry sector in Indonesia (combined with poor governance), it is crucial to address the issue of corruption in REDD+ implementation.

UNDP has identified the key corruption risks for REDD+ as follows. The preparation phase may be affected by state capture, through elite capture and political corruption in which powerful individuals and groups, such as politicians, logging companies, agribusiness and possibly the military, seek to influence the design of the country's national REDD+ framework in order to advance their private interests or to entrench their political power (which can serve as a way of 'legalizing' corruption). The implementation phase may also be affected by elite capture, political corruption and even petty corruption, in which low to mid-level public officials who are responsible for implementing REDD+ are bribed to ignore routine breaches of REDD+ laws (e.g. illegal logging), or are bribed to create fraudulent land titles or carbon rights. The other area is distribution of REDD+ revenues and benefits, such as the embezzlement of revenue and the misappropriation of revenues by powerful groups, including logging companies, the military, and project developers.⁶

The result of the Corruption Risk Assessment in the forestry sector, conducted by the KPK in 2010, also identified a number of serious loopholes in existing legal policies at both national and subnational levels which are prone to corruption.⁷ In this, KPK found that there is unclear definition of forest area in Law No. 41/1999 on Forest, Government Regulation No. 44/2004 on Forestry Planning, Minister of Forestry Decree No. 32/2001 on Standard and Criteria for Gazettement of Forest Area, Minister of Forestry Regulation No.50/2009 on Forest Area's Status and Function. This situation creates unhealthy environment and potential to be used to release illegal loggers and illegal miners from law sanctions as there is no clear and accepted forest area boundary. Due to unclear forest area definition, KPK found that there are high potential corruption risks caused by uncertainty of rights and forest investment, lack of regulation and lack of forest management unit on the field.

REDD+ and Indigenous People and Other Forest-Dependent Communities

In Indonesia, indigenous communities remain one of the most marginalized and vulnerable groups, and suffer from limited participation in governance. In most cases, they have inadequate access to information and communication channels, and do not have the voice or means to fully participate in governance decisions and political processes affecting their lives. As a result, in many cases, these communities have been deprived of their rights and entitlements, including cultural and linguistic preservation, access to natural resources, land rights and ownership, and basic social services, including health and education. Indigenous people in Indonesia continue to face poverty and a wide range of development challenges.

REDD+ poses both threats and opportunities to indigenous people. The main threat is the centralized control of the state over tropical rainforests, which form part of indigenous people's territories. Forest management has been fraught with conflicts between indigenous people and the state, as well as between people and the forest industry.⁸

With regards to indigenous people and local communities, the UN-REDD programme has developed Guidelines on Consultation and Free, Prior and Informed Consent (FPIC), which states:

⁵ Corruption Impact Assessment: Titik Korupsi Dalam Lemahnya Kepastian Hukum Pada Hutan (Corruption in the Presence of Weak Legal Certainty), Indonesian Anti Corruption Commission (KPK), 2010.

⁶ Staying on Track: Tackling Corruption Risks in Climate Change, UNDP 2010

⁷ Corruption Risk Assessment in Forestry Sector, KPK, 2010

⁸ See main findings, conclusions and recommendations from Asia Summit on Climate Change and Indigenous Peoples, Organised by AMAN and Tebtebba, Bali, 24-27 February 2009

“The UN-REDD Programme recognizes that indigenous people (*adat*, traditional, or customary communities) and local communities should be fully involved in developing and implementing UN-REDD’s consultations, and the principles of Free, Prior and Informed Consent (FPIC) should be applied to activities proposed in the UN-REDD programme.” (UN-REDD 2010:1)

However, FPIC does not address the issue of existing capacity issues of indigenous people and other forest-dependent people, which affects how meaningful and effective their participation and consent can actually be. For many women, for instance, it is not enough to “inform” and “involve” them in REDD+ process, as they are not recognised by the communities—and do not see themselves—as possessing the qualifications to express opinions or to claim their rights. In addition, people often do not have the necessary negotiation skills or basic legal understanding to understand potential opportunities and risks. In situations where basic legal awareness and capacity do not exist, FPIC remains a procedural right. As such, cases may exist where regulations and processes are in place, but outcomes for indigenous and forest-dependent people are unfair, as they do not possess the basic capacity to participate meaningfully in decision-making processes which affect them. While FPIC is therefore a necessary principle in this process, it is not a sufficient mechanism to ensure that the rights and welfare of indigenous people and other forest-dependent communities are protected.

The inclusion of forest in carbon or emission trading systems can also result in the privatization and commercialization of indigenous people’s forests and their further exclusion from the decision-making process regarding the utilization and protection of forests.⁹ REDD design must therefore take into account the rights of indigenous people to their forests so as to avoid the expropriation of indigenous owned and controlled forests and further destruction of indigenous forest management systems. It is therefore critical that UNDP Indonesia develops the capacity of indigenous and forest-dependent people beyond simply securing consent for REDD+ implementation. In addition, the effectiveness of institutions which monitor the implementation of REDD+ safeguard policy, specifically the principles and mechanism of FPIC, needs to be improved. .

Of further concern is the state of indigenous and forest-dependent women. Traditionally acting as central household custodians, women in some communities rely considerably on local natural and forest resources for their water and energy supplies, as well as for food security. The deprivation of access to natural resources, land rights and ownership jeopardizes women’s livelihoods and ability to support their families. Similarly, natural disasters associated with climate change and deforestation, such as floods, droughts, fires, and mudslides, have adversely affected the lives of the women and family members under their care.

In many countries, including Indonesia, forest tenure is not clear and is often subject to dispute. This places limitations on effectiveness, efficiency and equity. The importance of tenure in REDD+ is obvious. Tenurial rights are serious issues for indigenous and forest-dependent communities, as many simply do not possess legal tenures. Land tenure is perceived largely as an alien concept of land possession by many communities. Without tenure, however, the application of REDD+ will only jeopardize indigenous communities. REDD+ is essentially a broad set of policies intended to prevent or slow down deforestation and degradation, and increase forest carbon stocks. A subset of these policies allocates rewards to carbon rights holders who achieve REDD+ objectives, either measured directly by changes in forest carbon stocks or by proxies for those changes.¹⁰ Determining the legitimate carbon holders is, however, not always clear, as forest tenure is contested and rights are insecure or overlapping.

Local Governance Capacity for Effective REDD+ Implementation

⁹ Idem

¹⁰ Meridian Institute, 2009 in Sunderlin et al, 2009

Governance capacity is of significant importance for effective implementation of REDD+. Local government institutions are the frontline for dealing with communities, and will be the main focus of the REDD+ and climate change agenda. Local governments consist of provincial and district governments. Formal institutions and human resource capacities are essential to ensure proper control, monitoring and enforcement of the existing laws.

The failure to implement sustainable forest management in Indonesia is not merely caused by a lack of transparency or participation in spatial and land-use planning, environmental impact assessments or licensing processes, but goes beyond these issues. Governance capacity, particularly at the subnational level, must first be assessed in accordance with the following four components:

1. Enabling environment, in terms of policy framework, laws and regulations,
2. The implementation and enforcement of those policies, laws and regulations, including the availability of dedicated formal institutions for sustainable forestry management,
3. Human resource capacity within the dedicated formal institutions and
4. Public perception on the performance of the institution, including the quality of transparent and accountable decision-making, accountability and enforcement.

Scope of PGA for REDD+ Implementation in Indonesia

Using the aforementioned PGA conceptual framework, the scope of PGA for REDD+ Implementation in Indonesia are determined by identifying ongoing and future issues or problems on forest governance and peatland management as elaborated above. With reference to previous studies, debates, discussion and inputs, the issues are categorized into three components: (1) law and policy, (2) capacities of stakeholders among others government, indigenous and local communities, civil society including academia and media (3) practices and performances related to implementation and REDD+ activities. Indicators for the three aspects will be developed utilizing input based approach as well as impact based approach to ensure a more powerful and holistic assessment. All three aspects serve as the main scope of the PGA for REDD+ as referred to in the matrix below:

Forest Management Issues	Components		
	Law and Policy Framework	Capacities of Stakeholders (Government, Civil Society, Adat/IP and local Community , Business Entity)	Implementation-Performance
Spatial Planning	Indicators	Indicators	Indicators
Rights Regulation	Indicators	Indicators	Indicators
Forest Organization	Indicators	Indicators	Indicators
Forest Management	Indicators	Indicators	Indicators
Forest Control	Indicators	Indicators	Indicators
REDD+ Infrastructure	Indicators	Indicators	Indicators

The indicators in the above table reflect good forest governance principles (please see the complete PGA REDD+ Indicator set attached). Law and policy framework here is the content of law and policy framework to be measured through the assessment. In order to measure the content of law and policy framework, data items will be collected to determine whether a certain law or policy covers one or more good forest governance principles. Capacities of stakeholders are capacities for implementing one or more good forest governance principles to tackle forest management issues. Whereas implementation and performance is the process as well as results of tackling forest management issues through the application of good governance principles.

Data will be collected by a third party and used to explain the conditions of the three aspects. Each measurable item will be used to examine the indicators. The aggregate of the examined indicators will determine the condition of forest management issues. The aggregate of forest management issues will in turn determine the PGA pillars and the aggregate of Pillars will determine the quality of forest/REDD+ governance.

PGA Approach

This project document has been developed in consultation with key stakeholders, including relevant UN agencies, government institutions (both national and subnational) and CSOs. The consultative mechanism is used to gather inputs and suggestions to strengthen the project document. It also functions to garner support for the implementation of the results of the assessment. The implementation process will ensure meaningful participations of key stakeholders by establishing consultative groups or utilizing the existing REDD+ forum/task force.

In addition, PGA aims to improve the capacity of local stakeholders in REDD+ governance issues. Selected institution for data collection will be required to demonstrate their links to local research institutions such as, preferably, universities in the respective provinces. Regular consultations will be conducted to facilitate transfer of knowledge pertaining to REDD+ issues to key local stakeholders.

During the initial consultation process, it is agreed that while involvement of relevant stakeholders is an essential ingredient to the buy-in of PGA, the independence of the process and results of the PGA need to be maintained. Therefore, stakeholders agree that the assessment activities will be directly implemented and managed by UNDP Indonesia Country Office, through UNDP's Direct Implementation Modality (DIM). In addition, consultative process with relevant stakeholders will take place at every step of PGA.

The assessment will be conducted using both quantitative and qualitative approaches. Surveys will be quantitative, while the qualitative aspect will be explored through in-depth interviews and focus-group discussions. By combining these two approaches, the assessment will produce more comprehensive results as reflected in the developed data collection instruments by the Expert Panel.¹¹ Both primary and secondary data will be gathered through the following methods:

- **Document Review:** A document review will be conducted at an early stage in the secondary data collection phase. The review will include documents/secondary sources on forests and peatlands, land use planning, land tenure, local governance issues, and gender dimensions of these issues. The document review will provide an understanding of how local stakeholders respond to these issues. The assessment team will review relevant documents, such as local policies, regulations, results of studies and other publications issued by local governments and civil society organizations.

¹¹ For an explanation on data collection methodology, and qualitative and quantitative data, See, *Planning a Governance Assessment: A Guide to Approaches. Costs and Benefits*; UNDP Oslo Governance Centre, March 2009

- **In-depth Interviews:** Interviews will be used to obtain information from identified key resource persons. In the context of this assessment, in-depth interviews will be conducted to verify and deepen the information obtained from the document review and survey. In-depth interviews will be conducted by field researchers, and will engage at least five informants per province, representing the above mentioned stakeholders. In this, structure questions are also applied to capture local stakeholder opinions and concerns on REDD+, particularly related to good governance.
- **Media review:** Media review will be conducted by examining raw data and collecting news from national and local newspapers, as required by the indicators and data collection instruments.
- **Focus Group Discussions (FGDs):** These discussions will be carried out in order to complement the previous three data collection methods used in each province. The FGDs will comprise between seven to ten local stakeholders (taking into account gender balance). FGDs will be conducted using participatory methods and facilitated by a field researcher. To ensure that women are able to participate equally, a separate FGD with women's groups may be held (so as to avoid the limited participation of women in mixed groups). The FGDs are not intended to gain consensus of participants, but rather to obtain deeper and varied confirmations on issues found in the document reviews. The results of these focus groups discussions are therefore information obtained on the experiences, observations, opinions, attitudes and expectations of local stakeholders related to sustainable forest management and governance issues.

Since the assessment will map the capacity of national and subnational institutions and human resources required to implement the REDD+ agenda in a participatory manner, extensive national and regional consultations will be required at each stage. A number of national and regional consultations will be held during the finalization of the assessment design (including the formulation of objectives, outputs, scope and instruments of the assessment). Extensive consultations will also be held for the first and final drafts of the assessment findings and recommendations.

To ensure that the interests of indigenous people and forest-dependent communities are taken into account, the initiative will engage national and local organizations who are known for their work with these groups. This includes Aliansi Masyarakat Adat Nusantara (AMAN), which is a leading national indigenous people organization and ICEL, Epistema and Huma as leading civil society organizations that advocates for the recognition of social, cultural, and legal rights of traditional (*adat*) and local communities in Indonesia. UNDP Indonesia has developed a strong relationship with AMAN and has involved them in the assessment design as part of the initial project implementation.

Project Output and Key Activity Result

The intended project output is policy/regulatory frameworks and stakeholder capacities related to sustainable management of natural resources at national and subnational levels strengthened to guarantee the rights of local and indigenous communities. PGA itself will contribute to the ultimate output by providing baseline information on the level of Indonesia's preparedness in implementing REDD+ and formulating a policy recommendation on urgent governance issues related to REDD+ readiness and implementation in Indonesia, as well as preparing necessary approaches to address social safeguard issues. The results of PGA will also inform the development of a road map on Indonesia REDD+ governance based on a multi-stakeholder process. PGA for REDD+ is also designed to function as a monitoring and evaluation instrument for REDD+ implementation in Indonesia.

The success or failure of the Indonesia REDD+ agenda is highly dependent on the preparedness of the Indonesian public and institutions in meeting the identified governance challenges mentioned in the situation analysis. It is mentioned that the high rate of deforestation and forest degradation in Indonesia are caused by governance related challenges. The identified challenges are, for instance, lack of supervision/control and monitoring capacities of government at all levels and the public, lack of effective forest and peatland management, lack of genuine public involvement particularly of indigenous people and forest dependent community, lack of law enforcement mechanism in forest management and lack of credible spatial and forestry plans.

The aspect of governance is critical to ensure successful implementation of REDD+. It is equally important to guarantee basic human rights and access to forest for livelihoods. Therefore, it is imperative that governance be taken into account fully in any REDD+ scheme as there is a positive correlation between good forest governance and emission reduction through REDD+. Improved forest governance and peatland management will significantly enhance the achievement of emission reduction target from REDD+ activities.

REDD+ governance factors can be improved if accurate data on the current condition of REDD+ governance issues in Indonesia are available and used by key stakeholders as a baseline for evidence based decision making process and as a monitoring and evaluation tool to assess the overall success of REDD+ at a later stage. The intended project outputs can be achieved through the following activities:

1- Activity Result 1: Baseline information on the quality of governance related to Indonesia's preparedness in implementing REDD+ and policy recommendation on urgent governance issues related to REDD+ readiness and implementation in Indonesia are formulated for key decision makers

To obtain the above result, the project applies an inclusive and transparent approach during the development of PGA instrument, data collection process and reporting. The project builds strong partnership not only with the Government of Indonesia but also with civil society organizations, in which consultations are conducted at all stages of the assessment. Series of consultative meetings with the Ministry of Forestry, the Presidential Working Unit for Supervision and Management of Development (UKP4), and the National Planning and Development Agency (BAPPENAS) are planned to solicit inputs and suggestions at each stage of data collection process and report development.

PGA Expert Panel is then established comprising prominent Indonesian experts on forest policy and governance, public administration, anti-corruption, indigenous people and civil society participation. They represent elements of the government, academia, civil society, and indigenous community organizations. The composition also takes gender balance into account. The expert panel aims to develop PGA tool - to be utilized by the third party for data collection - and PGA full reports, including policy recommendations on urgent governance issues related to REDD+ readiness and implementation in Indonesia.

As the data collection process is extremely crucial, selected organization providing data collection services must have intensive and extensive experiences on forest policy and governance related issues. Additionally, the selected organization should also demonstrate that they have capable resource persons to conduct the data collection. They should meet the required qualifications such as having experiences and expertise in forest policy/forest governance/public administration/indigenous people and civil society organization/business in

forest sector/climate change issues and they must also have a good link with local research organizations.

Upon the completion of the data collection process, the expert panel will utilize the data to measure the existing indicators using a scale of 1 to 5, with one being the worst and five being the best. Prior to measuring the scale, the expert panel will describe in details what scale one means and what verifiers should be in place, etc. For example, the indicator of the effectiveness of forest management unit can meet the scale of five if the ratio between forest area and forest management unit is appropriate, the financial and human resources are sufficient, and there are clear programme and mechanism.

In addition, PGA also allocates weight to each indicator to describe the main issues and pillars. Most importantly, PGA must provide answers to the following questions: what is the consequence of good or poor PGA results to forest management in general and REDD+ in particular, what policy recommendations can be formulated and provided to central, provincial and district governments to strengthen the forest and REDD+ governance, are there any policies and capacities that require more attentions for REDD+ implementation and what interventions can be made to improve forest and REDD+ governance.

The above result can be achieved through the following activities:

1. Development of PGA tools, including indicators and data collection instrument through:
 - a. Series of workshops to finalize PGA tools.
 - b. Publication of PGA tools, including notes on how the tools are developed.
2. Selection of third parties to conduct the following activities:
 - a. Consultation with local stakeholders on data collection (prior to informing key stakeholders).
 - b. Parallel data collection in 10 provinces, including two districts for each province and at the national level.
 - c. Conducting FGDs at provincial level (also inviting several respondents from district level) and national level on preliminary data.
3. Development of PGA report and policy recommendations using data collected by the third party through:
 - a. Series of workshops involving the Expert Panel.
 - b. Consultation with national and sub national stakeholders in Jakarta.
 - c. Series of workshops for Expert Panel to finalize PGA report and policy recommendations.
4. National meeting to launch PGA report and the policy recommendations.

Activity Result 2: REDD+ governance roadmap and collaborative programme to define and describe the best ways to strengthen forest and REDD+ governance structure and practices, guaranteeing the rights and access of indigenous people and local community in particular, are developed.

To ensure its sustainability, the project will facilitate the development of a road map for Indonesia's REDD+ governance and collaborative programme to define and describe the best ways to strengthen forest and REDD+ governance structure and practices, particularly to

guarantee the rights and access of indigenous people and local community. The selected consultants will develop draft REDD+ governance roadmap and collaborative programme by working closely with the PGA expert panel. In the development process, the selected consultants will also discuss with relevant development partners or similar projects to map out the past, present and future interventions related to REDD+ governance and area coverage. Additionally, the selected consultants along with the expert panel will undertake intensive discussions and policy dialogues with the relevant ministries and agencies regarding REDD+ governance roadmap to gain their political commitments to use the road map as the main reference for REDD+ governance improvement. In addition, the selected consultant along with UNDP Indonesia will have series of meetings with potential donors for resource mobilization to assist the government and other key stakeholders to improve the REDD+ governance.

The above result can be achieved through the following activities:

1. Hiring consultants to conduct the following activities:
 - a. Developing REDD+ governance roadmap and collaborative programme to define and describe the best ways to strengthen forest and REDD+ governance structure and practices, particularly to guarantee the rights and access of indigenous people and local community by working closely with the PGA expert panel.
 - b. Consultations with relevant government ministries and agencies at both national and sub national levels, and donors on draft REDD+ governance roadmap and collaborative programme.
2. Conducting policy dialogues on the REDD+ governance roadmap and collaborative programme to gain political commitment to implement the roadmap and support collaborative programmes.

Activity Result 3: PGA tool is improved based on the lessons learned and established as a monitoring and evaluation instrument for REDD+ implementation in Indonesia.

Following the completion of the PGA stages, there will be lessons learned on PGA REDD+ indicators and data collection instruments particularly on which indicators work well - in terms of relevance, significance, discriminating power and data availability - and which indicators do not work well. The same goes with the data collection instruments. The selected consultant and the PGA expert panel will review the existing indicators and data collection instruments to redefine the PGA tool. They will also develop consensus among stakeholders on the revised REDD+ governance indicators, measurement aspects, target setting as well as the establishment of a monitoring and follow up mechanism.

The above result can be achieved through the following activities:

1. Hiring consultants to conduct the following activities:
 - b. Improving PGA tools including REDD+ governance indicators and data collection instruments by working closely with the PGA expert panel.
 - c. Conducting a series of consultations on the revised PGA tool including building consensus among stakeholders on the revised REDD+ governance indicators, measurement aspects and target setting.
2. Conducting policy dialogues on the establishment of PGA as governance monitoring and evaluation instrument for the REDD+ implementation in Indonesia

ANNUAL WORK PLAN FOR 2012

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME				PLANNED BUDGET		
		Q1	Q2	Q3	Q4	Funding Source	Budget Description	Amount
<p>Output 1</p> <p>Strengthened policies and regulatory frameworks and stakeholders capacities and governance aspects related to sustainable management of natural resources at national and target subnational level that guarantee the rights of local and indigenous communities</p> <p>Baseline:</p> <p>(1) ..policies on forest management and REDD+ implementation in Indonesia that adopts good governance principles (to be provided by PGA at the end of 2012)</p> <p>(2)... of government ministries/agencies at national and sub national levels that adopts FPIC guideline in dealing with rights of indigenous and forest dependent communities</p> <p>Indicators:</p>	Activity Result A-Baseline information on the quality of governance related to Indonesia's preparedness in implementing REDD+ and policy recommendation on urgent governance issues related to REDD+ readiness and implementation in Indonesia are formulated for key decision makers							
	Action A. 1.1 The development of PGA tools consisting of indicators and data collection instrument							
	• Series of workshops for finalization of PGA tools					UN-REDD		22,000
	• Publishing PGA tools including notes on how to develop the PGA tools					UN-REDD		1,000
	Action A.1.2. Selection of third party to conduct the following activities							
	• Consultation with local stakeholders on data collection (prior to informing key stakeholders)							
	• Parallel data collection in 10 provinces including two districts for each province and at national level					UN-REDD		159,000
	• Conducting FGD at provincial level (inviting several respondents from district level) and national level on preliminary results							
	Action 1.3. Development of PGA report and policy recommendations using data collected by the third party							
	• Series of workshops with the Expert Panel							
	• Consultation with national and sub national stakeholders in Jakarta					UN-REDD		34,000
	• Series of workshops with Expert Panel to finalize PGA report and policy recommendations							
	Action 1.4. National meeting to launch the PGA report and policy recommendations					UN-REDD		19,000

<p>Targets 2012:</p> <p>(1)PGA REDD+ results are finalized and policy recommendations on good governance principles in forest management and REDD+ implementation are developed, communicated and accepted by respective key actors</p> <p>(2)PGA policy recommendation with regard to FPIC application in the Indonesian context is developed</p>	Activity Result B-REDD+ governance roadmap and collaborative programme to define and describe the best ways to strengthen forest and REDD+ governance structure and practices particularly to guarantee the rights and access of indigenous people and local community are developed							
	Action B.1.1. Hiring consultants to develop REDD+ governance roadmap and collaborative programme to define and describe the best ways to strengthen forest and REDD+ governance structure and practices particularly to guarantee the rights and access of indigenous people and local community by working closely with the PGA expert panel							14,000
	Action B.1.2. conducting consultations with relevant government ministries and agencies both at national and sub-national levels, and donors on draft REDD+ governance roadmap and collaborative programme							11,000
	Action B.1.3. Conducting policy dialogues on the REDD+ governance roadmap and collaborative programme to gain political commitment to implement the roadmap and support collaborative programmes							11,000
	Activity Result C-: PGA tool is improved based on the lessons learned and established as a monitoring and evaluation instrument for REDD+ implementation in Indonesia							
	Action C.1.1. Hiring consultants to Improve PGA tools - including REDD+ governance indicators and data collection instruments - by working closely with PGA expert panel							7,000
	Action C.1.2. Conducting series of consultations on the revised PGA tool including building consensus among stakeholders on the revised REDD+ governance indicators, measurement aspects and target setting							2,000
	Action C.1.3. conducting policy dialogues on the establishment of PGA as governance monitoring and evaluation instrument for REDD+ implementation in Indonesia							5,000

	Action C.1.4. Effective and efficient results oriented project management functions						UN-REDD		40,000
							Track		25,000
TOTAL									\$ 350,000

MANAGEMENT ARRANGEMENTS

Implementation Modality

- Upon request by the government of Indonesia, UNDP will directly implement the project in order to ensure the integrity and neutrality of the PGA process and results, by keep working closely with UKP4, the Ministry of Forestry, the National Development Planning Agency, and civil society organizations. On the technical aspects, UNDP also has rich experiences in doing large scale assessment, wide network in the assessment locations and technical expertise in Forest Governance related issues.
- The project will be implemented under the framework of UNDP Country Programme Action Plan (CPAP) 2011 – 2014 through the Direct Implementation Modality (DIM), whereby UNDP Indonesia will implement the activity directly. A Project Management Unit (PMU) will be established to implement the project on behalf of UNDP Indonesia and will be fully responsible and accountable for successfully managing and delivering project outputs according to UNDP rules and regulations. UNDP Indonesia will recruit a Project Manager to manage the project on a day-to-day basis.¹²

Project Office

- UNDP Indonesia has dedicated its own office premise for the PMU Secretariat, which will function as PGA project office. The office will collaborate closely with the Democratic Governance Unit of UNDP Indonesia. This office arrangement further ensures the independence of PGA implementation in both administrative process and substantive aspects.

Project Location

- The assessment will be conducted in regions where there are primary forest/peatland areas.¹³ They are as follows (in hectares):

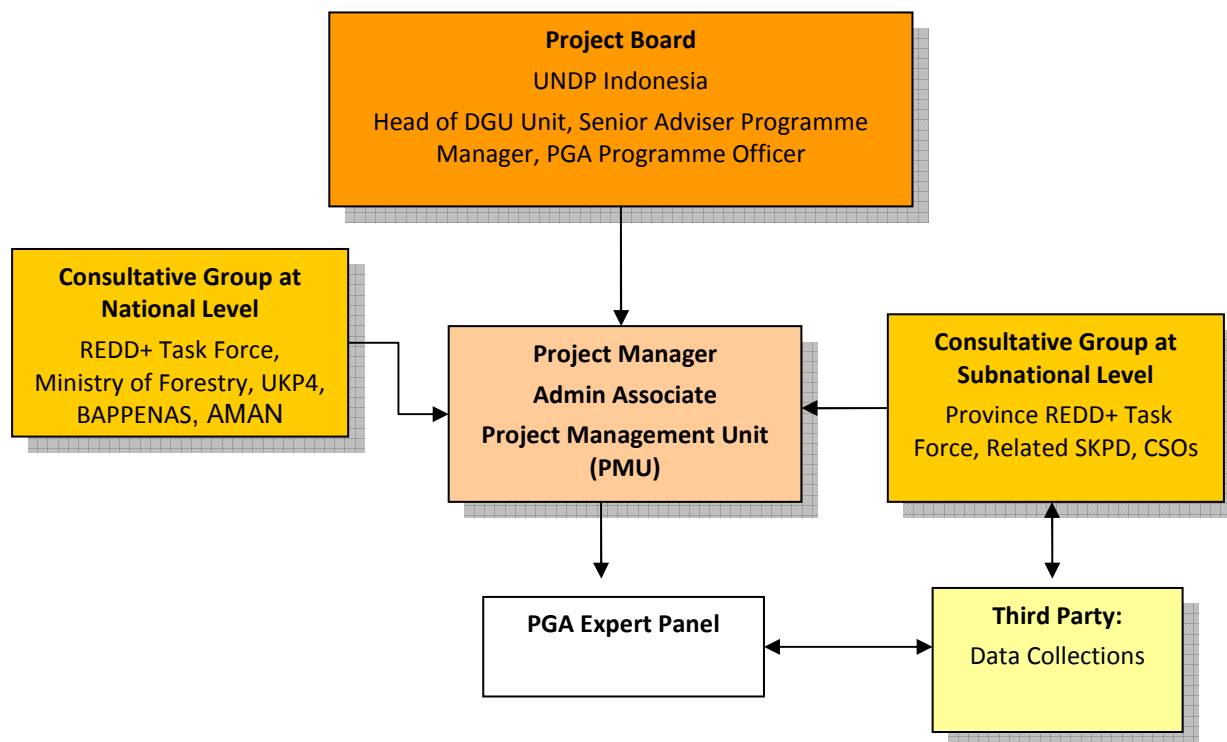
Province	Conservation Forest	Primary Forest and Peatland	Critical Forest & Land in The Forest Estates
Aceh	1,031,625	1,648,633	134,033
Riau	581,550	2,445,553	1,568,641
Jambi	679,102	224,098	60,662
South Sumatra	815,308	267,574	511,203
Central Kalimantan	1,571,049	1,949,229	486,942
East Kalimantan	1,773,359	2,632,452	453,296
West Kalimantan	1,673,709	2,223,420	631,413
West Papua	3,373,369	1,963,607	460,714
Papua	6,025,219	7,880,450	2,530,180
Central Sulawesi	613,529	774,584	1,082,744

¹² Through Ministerial Decision (Surat Keputusan Menteri) or other appropriate internal agency arrangement.

¹³ The data related to primary forest and peatland areas is taken from National Forestry Council (Dewan Kehutanan Nasional – DKN) and Ministry of Forestry, 2010.

Project Organizational Structure – Roles and Responsibilities

- In order to ensure effective and accountable project implementation, the following structure will be established (Figure 1). Detailed terms of reference of the key roles can be found in the Annex.



UNDP Indonesia

- The designated Programme Manager and Senior Adviser will provide strategic and policy guidance to PMU within the context of the Project Document. He will also ensure that actions funded by the project are implemented in strict compliance with expected project results, resources, work plan and UNDP financial and procurement rules and regulations.

Consultative Group at National Level

- In order to ensure ownership of the project, a Consultative Group will be established and will have regular meetings with the Expert Panel and PMU. The meetings will enable dialogues concerning milestones of the assessment, and will help the Expert Panel to strengthen the assessment design and methodology, analyse key findings and form recommendations. To ensure the independence of the assessment process and results, the Consultative Group will not have any direct authority over the Expert Panel and UNDP PMU. The Consultative Group includes relevant government ministries and agencies, i.e., Ministry of Forestry, Ministry of Environment, BAPPENAS, Task Force for REDD+, selected members of Provincial Working Groups, and representatives of AMAN.

Consultative Group at Subnational Level

- To ensure participation of local stakeholders, the initiative will engage REDD+ Task Force at provincial level or similar institutions to provide inputs to improve the assessment design, facilitate data collection, verify findings and recommendations of the Expert Panel, and facilitate implementation of follow up activities based on the recommendations. The Consultative Group comprises key stakeholders from relevant provincial government offices and non-governmental organizations mandated to deal with issues of forestry, environment, and indigenous people. Wherever possible, universities and journalists will also be encouraged to participate. The initiative will also utilize existing groups in the province which have similar mandates or purposes.

Project Manager

- The Project Manager is responsible for the day-to-day management and decision-making of the project. The main responsibility of the Project Manager is to ensure that the project delivers the results specified in the project document to the required standard within the specified time frame and cost. The Project Manager leads the development of annual and quarterly work and budget plans involving relevant stakeholders with the approval of the Project Board. The Project Manager also has the duty to follow up recommendations of internal monitoring and evaluation and audit. The Project Manager is recruited by UNDP and reports to a designated official at UNDP.

Project Management Unit

- Technical experts and administrative personnel will be recruited for the PMU. Under the overall direction of the NPD and day-to-day guidance of the Project Manager, they will be responsible for the daily operation of the project. The Project Manager and PMU are accountable for sound administration and financial management of the project as well as effective delivery of project activities. To ensure accountability, annual and quarterly work plans and reports with the required supporting documents will be submitted to UNDP in a timely manner.

Project Revision and Closure

- During the course of project implementation, the Project Manager can propose revision of the annual work plan and quarterly work plan to UNDP. UNDP will review and approve the proposed revision provided that they are in line with the scope of the Project Document Results and Resources Framework. However, if the proposed revision is significant in terms of objectives, outputs, duration of project and budget, it constitutes a substantial revision, which requires the approval of the senior programme management.
- Once the project has delivered all planned outputs and activities at the end of project duration or based on the senior programme management approval of early termination, the designated Programme Manager has the overall responsibility of closing the project both operationally and financially, with the support of the Project Manager. Once there are no more planned activities implemented under the project, the project will be closed operationally. It will remain financially open to make outstanding payments and conduct project closing activities such as final evaluation, reporting, stakeholder meetings for project review, etc. The Project Manager will submit the following documents to the Programme Manager for review and certification:
 - Final Project Report focusing on the achievements of planned outputs, contribution to outcome, positive and negative impacts, lessons learned and best practices.
 - Final Financial Report with full financial records.

- Final Inventory List and recommendations for asset transfer.

Once there are no more outstanding obligations, all project closing activities are finalised, and all documentations are completed (including asset transfer), the project will be financially closed.

Monitoring Framework and Evaluation

UNDP Indonesia has defined a results-based monitoring and evaluation system which will provide a basis for project assessment. The objectives of the monitoring, evaluation, and learning system are to:

1. Ensure that the project is on track and being implemented effectively and efficiently;
2. Identify major constraints in programme delivery and to ensure corrective action is taken early;
3. Provide an effective overall evaluation of programme performance;
4. Identify key lessons learned and success stories from the programme implementation that can guide future programming; and
5. Provide an effective system to meet the monitoring and evaluation requirements of donors, UNDP Indonesia, and the UN system.

Specific attentions will be given to gender issues, best practices and challenges. Annex 3 provides a template for monitoring and evaluation.

Quarterly Monitoring and Reporting

PMU will be required to prepare quarterly and annual work plans, budgets and progress reports. The Quarterly Monitoring Report (QMRs) will provide a brief summary of the status of activities, and monitor progress against output indicators. The QMRs will include financial statements and work plan for the subsequent quarter. In addition to UNDP Indonesia quarterly monitoring and reporting format, the format will also follow UN-REDD Global Programme format.

In addition, an issue log will be activated in Atlas and updated by the Project Manager each quarter to facilitate tracking and resolution of potential problems or requests for change. Based on the initial risk analysis, a risk log will be activated in Atlas and regularly updated by reviewing external environment that may affect the project implementation. As part of the lessons learned log, cross cutting issues, including progress on gender mainstreaming and partnership building, will be monitored quarterly to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of a lessons learned report at the end of the project. Finally, a Monitoring Schedule Plan will be activated in Atlas and updated to track key management actions/events

Annual Report

PMU will also prepare and submit an annual project review reports to UNDP and UN-REDD global Programme. The annual progress report will provide a more in-depth summary of work-in-progress, measuring performance against both implementation and output/outcome indicators. Any adjustments in project approach will be reported to the Project Board who will evaluate and approve the adjustments recommended as long as such adjustments are within this project document's RRF.

Mid-Term Review

In Q3 of the second year of implementation (2012), a mid-term project review will be conducted to highlight the successes and identify the challenges and bottlenecks in the project implementation. This review must be undertaken in a participatory manner, involving all project and programme staff, so that practical solutions can be identified to address any problems that the project may be experiencing by this point. The findings of the mid-term review will be reported to the Project Board, along with proposed recommendations, and the Board will endorse those corrective measures or changes to the project design and modality.

Project Report

An annual project report will be prepared prior to the completion of the 2012 project year, detailing achievements and lessons learned. PMU is required to hold quarterly and annual consultative group meetings, inviting stakeholders to report the progress of the project towards the targets. The quarterly and annual reports must be provided to the participants at least two weeks before the consultative meeting.

ANNEXES

Risk Analysis. Use the standard [Risk Log template](#). Please refer to the [Deliverable Description of the Risk Log](#) for instructions

Terms of Reference: TOR for key project personnel should be developed and attached