Community Forest Ecosystem Services, Indonesia

Plan Vivo Project Idea Note (PIN)

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Participatory mapping in Durian Rambun village forest (Photograph: L·TB/FFI)

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Project objectives and activities

The principal project objectives are: 1) conservation of natural forest and mature agro-forest; 2) sustainable utilisation of timber, non-timber forest products (NTFPs) and ecosystem services; and 3) improved well-being of target communities. A series of activities will be implemented to achieve these objectives.

Activities that will generate Plan Vivo Certificates

A) Forest protection and restoration

Regular patrolling and monitoring by joint forest ranger and village community teams will be organised to ensure forest and biodiversity protection. Where restoration of logged-over areas and secondary forest/fallow fields (bawas/sesap) requires assisted regeneration, saplings of native and naturalised tree species, planting materials, and guidance on sapling husbandry will be provided.

Additional activities

B) Secure community forest management rights : Village Forest (Hutan Desa)

The granting of legally recognised forest management rights to target communities is a pre-requisite for establishment of a community Payments for Ecosystem Services (PES) mechanism, and will strengthen local ownership and participation in the conservation of forest. The bureaucratic process for hutan desa (HD) designation includes submission of applications to district and provincial governments and the Ministry of Forestry (MoF). It requires the community to establish a village hutan desa management institution (LPHD), formulation of HD management plans, boundary delineation, and utilisation plans. All need formal verification for official approval. Training activities and facilitation will build local capacity to undertake these tasks. The granting of management rights to the LPHD for 35 years secures long-term tenure necessary for project permanence.

In future, villages that manage forest areas on non-state forest land (‘Other Use Land’) will also be included in the project area, applying the ‘Customary Forest’ (hutan adat) model. The hutan adat (HA) model establishes legal recognition of customary rights in forest areas on Other Use Land through designation by the District Head.

C) Improved agroforestry

Planting materials will be provided to improve and diversify crop production from existing rubber-based agroforestry gardens, upland and rain-fed rice fields, secondary forest and fallows adjacent to/surrounding the protected area. Training in crop handling and processing is needed to improve the quality of forest and agricultural products, and external facilitation will also be provided to develop more efficient marketing. Enrichment of agroforestry and secondary forest/fallow fields with diverse tree species to meet demand for firewood and timber will reduce pressure for wood extraction from the HD protected area and neighbouring forest blocks, mitigating ‘leakage’.

D) Enhancing community benefits from non-wood products and other ecosystem services

There is potential for target communities to access greater benefits from various non-timber products from natural forest and agroforestry. Communities will be supported to conduct improvements along the value chain of priority products, selected by the individual communities, to enhance the economic and social benefits realised from these activities. The most notable ecosystem services that the community enjoy are running water and, in some cases, electricity from micro-hydro-power (Durian Rambun village has one 30,000 Watt single-turbine micro-hydro
facility). In addition to improved well-being, support to maintain and enhance the quality of ecosystem services helps ensure continued community support for forest conservation.

E) Investment in community assets

In designing their local benefits-sharing systems, communities will identify activities that benefit the whole community, such as civic infrastructure projects; and investments in social security that target the most vulnerable or typically marginalised community members. Examples of the latter may include provision of health insurance, support for childrens’ education, and micro-finance services for women. Training and facilitation will be organised as needed to support set-up of these activities.

In-keeping with Plan Vivo Standards and guidelines, improvements in community well-being associated with the project activities will be monitored against social well-being baseline prepared during project development, applying well-being indicators selected by the target communities.

Target communities

Hutan Desa management rights are granted by government authorities to communities for management of forests within the administrative boundary of a single village. The project target communities are agriculture-dependent forest-edge villages in Jambi and West Kalimantan Provinces, Indonesia, where HD or HA management rights have been approved or are nearing finalisation.

The project will launch with two pilot villages:

- **Jambi Province:** Durian Rambun village in Merangin District (85 households and total village forest area of 4,484 ha);
- **West Kalimantan Province:** Laman Satong village in Ketapang District (290 households in Manjau sub-village, with a total village forest area of 1,070 ha)

Once the project is operational in the pilot villages, expansion is anticipated to a number of villages in Jambi and West Kalimantan Provinces. See Appendix 1.

Each target community has a village-level LPHD mandated to coordinate forest management plan development and implementation of activities in keeping with the plan. The LPHD structure is approved as part of the HD licensing process, with clearly defined roles and responsibilities for all members. The significant responsibilities associated with legally recognised forest management rights and commitment to participate in a PES scheme necessitate strengthened capacity of the LPHDs, which comprise a group of men who are democratically elected by the village community, in accordance with village laws (*Perdes*) approved by the village head. Project implementation will prioritise capacity building for each LPHD.

The involvement of women in project decision-making will be prioritised and facilitated in all participant villages in various ways. Local cultural norms do mean that the community members that are elected to specific roles in the village forest management institution (LPHD) are predominantly men – in large part because activity types, such as forest patrols, monitoring surveys and participatory mapping are considered male activities. However, there are no significant cultural, political or religious barriers to increasing the role of women in project decision-making and implementation, and the project will be active in facilitating increased participation over time.

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1^Merangin District Village Profiles and Village Forest Plan, PMKM 2010
In project implementation, participation of women will be strongly encouraged in the PES activity groups, particularly livelihoods activities such as NTFP-based enterprise. Women are also generally acknowledged to be more reliable managers of money than their male counterparts. In each village, a specific structure will be established to manage disbursement of PES income to different PES activity groups, in keeping with the community-designed and agreed benefits-sharing model. This structure, the Village PES Fund, will be linked to the LPHD but will be concerned solely with financial management; will be established before signature of the first PES agreements; and will be run by elected female community members.

The opportunity to participate in project activities and the distribution of project benefits will extend to all community members and benefits-sharing will prioritise improving the well-being of the lowest income and most vulnerable households. Project activities requiring physical strength (such as patrolling, planting and infrastructure projects), will be conducted physically fit community members that are keen to participate actively, with a particular focus on local youth.

Socio-economic baseline assessments are currently underway in the target communities, with data collection via questionnaire and Focus Group Discussion. In addition to collation of quantitative data on income sources, education levels etc., Participatory Well-Being Assessments (PWA) will be conducted to work with communities to identify most locally-relevant indicators of well-being and the baseline of perceived baseline of community well-being at project start according to those indicators.

Description of the proposed project area

Jambi Province

Physical environment
The project area borders directly with Kerinci Seblat National Park (KSNP), a legally protected area established in 1982 and under the jurisdiction of the MoF. The section of KSNP adjacent to the project area (the Sipurak Hook) was excised from the original national park (NP) and allocated as a selective logging concession (Sarestra II), but was repatriated to KSNP in 2004 due to its exceptionally high levels of floral and faunal diversity². KSNP is also part of the Tropical Rainforest Heritage of Sumatra natural World Heritage Site (WHS), which was added to the list of WHS In Danger in 2011 due to pressures of illegal logging, agricultural encroachment and planned construction of new roads.

The project area lies on mineral soils, with a predominant habitat cover of mature secondary lowland tropical rainforest. It is designated as state ‘production forest’ and was formally part of the PT Injapsin selective logging concession, which ceased to be operational in 2005. Forest bordering the residential area of Durian Rambun village, to the south, has been cleared for local use. Dominant land-uses in this area are jungle rubber agroforestry (structure of old growth jungle rubber resembles mature secondary forest³), upland rice and mixed agricultural crops (ladang). The project area forms part of the Batang Hari watershed and the forests play a critical role in sustaining local and regional water supply.

²WWF (part of World Bank Integrated Conservation & Development Project – ICDP)
³Thiollay, 2005; Jihad, 2009
A baseline participatory biodiversity assessment conducted in the project area and neighbouring community forests in 2011 recorded 83 mammal species, (9 classified Endangered/EN on the IUCN Red List, 11 classified Vulnerable/VU, 12 classified Near Threatened/NT), including the Critically Endangered Sumatran tiger, Panthera tigris ssp. sumatrae. The survey also recorded 91 herpetofauna species (3 VU and 3 NT on the IUCN Red List) and 221 bird species (5 VU and 43 NT on the IUCN Red List), including six species of hornbill (e.g. Rhinoplax vigil and Anthracoceros malayanus) that are indicators of forest regeneration and high tree species diversity, and the ground-dwelling Argusianus argus, which is an indicator of undisturbed areas.\(^4\)

The main drivers of land degradation in Jambi Province include planned conversion of forestlands to commercial forestry/agricultural concessions or mining operations, and unplanned deforestation and degradation from illegal logging and mosaic encroachment. In 2009 forest-edge communities in Merangin District launched a campaign against proposed conversion of 80,000+ ha of ex-logging forest to pulp and paper plantation. The project area borders the proposed concession area, and was highly vulnerable due to the lack of clear forest management rights following expiry of the PT Injapsin selective logging concession. The communities, with NGO and local government support, were successful in their campaign to reject approval of the plantation licence.

Illegal encroachment presents a major threat to the forest landscape. Following cessation of active management of production forest bordering KSNP in 2004/5, Merangin District became a target for in-migrants from South Sumatra, Bengkulu and Lampung Provinces seeking new land to clear for coffee plantations. Large scale encroachment has been facilitated by individuals linked to the coffee industry, and weak enforcement of forestry laws has resulted in significant forest loss and complex horizontal conflicts between traditional and in-migrant communities. The target community is seeking to ensure that encroachment does not proceed into the project area.

**Socio-economic environment**

The village community (population of 249 individuals\(^5\) in 2010, 115 male and 134 female) are indigenous Malay-speaking people, with a strong Islamic tradition, occupying the Jambi highlands (penghulu) since pre-colonial times. They belong to the Pesanggrahan marga (clan). Most village inhabitants are related by either blood or marriage. The practice of rituals and taboo indicate respect of customary norms and traditions. The village was isolated from other settlements for decades. The main modes of transportation to reach the nearby market of Muara Siau were by raft along the river(s) or by foot. A logging road was constructed in the early 2000s, but bridge construction and upgrading of the road in 2011 have greatly enhanced access to the village.

‘Jungle rubber’ agroforestry is the main source of income. Rice is produced in upland fields, but a large quantity is imported. Basic literacy levels are high, but levels of education and income remain low. Numerous village inhabitants are recipients of the government’s ‘rice for the poor’ (beras miskin) programme.

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\(^5\)Durian Rambun village profile, PMKM 2010
The village is the lowest level government administrative structure, led by a democratically elected head and appointed secretary. Both receive a nominal salary from the district government budget. The village head reports to the democratically elected district head, but is directly supervised by a government-appointed subdistrict head. The village has a village-level legislative body (BPD) that supervises the performance of the village head and staff, and village customary institution (lembaga adat), whose leader is also democratically elected and is usually a village elder as the person occupying this role must understand traditional customs.

**Carbon stocks**

Surveys have been conducted with community members to gather biomass data to estimate baseline carbon stocks in the project area. Data analysis is underway, pending completion of the land use classification that will allow extrapolation of data from the survey plots. The carbon stock of mature secondary forest (predominant land use in the project area) is estimated at 82.49 +/-18.31 tonnes C/ha. It is estimated that if KSNP and all HD in Merangin District can be protected and managed sustainably, this could contribute to district Greenhouse Gas (GHG) emissions reductions of up to 17.36% and 7.55%, respectively\(^6\). The current deforestation rate at province level has been estimated at 1.4% per annum between 2001 and 2010\(^7\). Project area maps provided in Appendix 2.

**West Kalimantan Province**

**Physical environment:**

Laman Satong village forest lies between Gunung Palung National Park and Gunung Tarak (watershed) protection forest to the northwest and two palm oil plantation concessions (Golden Yolk and Kayong Agro Lestari) to the southeast. The majority of the village administrative area (32,600 ha in size) has been allocated for this oil palm development, with associated conflicts over land between village inhabitants and the concessions. A plan for a bauxite mining operation (PT Laman Mining) is also progressing. The company was awarded an exploration license that includes the HD area; no exploitation license has been approved to date and it is hoped that the HD will be excluded from any subsequent operational area.

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\(^6\)These figures are taken from the document *Planning for low-emissions development in Merangin District, Jambi Province, Indonesia*, ICRAF 2011, and equate to estimated cumulative reductions in tonne CO\(_2\)e /ha/year of up to 6.88 (KSNP) and 2.99 (Village Forest).

\(^7\)Forestry Planning Department, Ministry of Forestry, 2001-2010.
Situated in a lowland hilly area (elevation below 100m asl), the village forest is part of the catchment area for the Satong and Tolak rivers flowing south to nearby peat swamp areas and the coast. The village forest area comprises of two hills, Bukit Tatas and Bukit Kaderon, divided by Manjau sub-village housing settlement along a gravelled road. Springs in these forests are the main sources of running water for the villagers. Some spots in the forest are sacred groves, where religious rituals are performed.

The village forest is dominated by secondary forest, agroforest, and scrub. In the past the forest was either logged or cleared for upland rice fields, after which the land was either transformed into mixed agroforest (rubber, fruit and timber trees ) or left fallow for several years then cleared for a new cycle of upland rice cultivation. Today, under customary rules, clearing new forest is prohibited. Tree planting and/or upland rice field cultivation of the fallow land (bawas) is encouraged, but is often constrained by of shortage family labour and/or good quality planting materials. Labour exchange is often performed to cope with cash and labour shortages.

The secondary forests and mature agroforests are home to protected Bornean species of mammal, bird, amphibians and reptiles, and tree (dipterocarps). A total of 14 mammal, 158 bird, 24 amphibian and reptile, and 48 tree species were recorded within the project area based on a baseline participatory biodiversity assessment conducted in 2011-12. Many of these are endemic and listed on the IUCN Red List, including the Endangered Bornean white-bearded gibbon (*Hylobates albibarisi*), and the Critically Endangered rusty brown dipterocarp tree (*Hopea ferruginea*). In addition, six of eight possible hornbill species known as forest health indicators and forest dwellers were recorded. Besides hornbills, others forest dwellers such as the great argus (*Argusianus argus*), the Malayan box turtle (*Cuora amboinensis*), and the Southeast Asian soft-shell turtle (*Amyda cartilaginea*) were recorded within the project area.
Socio-economic environment

The village community (population of 2,368 in 2009, 1,284 male and 1,084 female) are indigenous Dayak people and migrants have moved to the area since the 1970s. Just under 50% of village community is resident in Manjau sub-village, where the HD is located. Customary leaders play an important role in village social affairs, including forest protection and utilisation. The 1,070-hectare approved village forest area is customary protected forest.

Up to the end of 1960s, the villagers lived in traditional communal longhouses (betang), but were later instructed to live in individual houses. Besides government agencies, since 1970s church organisations have been active in implementing various community development project in the village. The administrative village was formed in 1986 through the merging of three major settlements (lanman), namely Manjau, Kepayang and Nek Doyan. Tree planting, provision of running water, mains electricity and infrastructure (roads, bridges) have been the main development aid items.

Rubber-based agroforestry and upland and rain-fed rice farming are the main agricultural systems. The village produces commercial fruits such as durian, langsat and rambutan. With a road connecting the village with Ketapang city, marketing is relatively easy. A large portion of the village population worked in the logging industry in the past, but more recently earn wages from working on palm oil plantations. Other economic activities in the village include boar hunting, vegetable planting, handicraft production, livestock production and artisanal gravel mining.

A significant portion of the village inhabitants are recipients of government’s ‘rice for the poor’ (*beras miskin [raskin]*) programme.

The formal village and district-level governance structure is the same as for Jambi Province, above.

**Carbon stocks**

Surveys with community members have been undertaken to gather biomass data to estimate baseline carbon stocks in the project area. Data analysis is underway, pending completion of the land use classification that will allow extrapolation of data from the survey plots. The carbon stock of secondary forest and mature agroforest (predominant land use in the project area) is estimated at 58.62 +/-15.52 tonnes C/ha.

Project area maps provided in Appendix 2.

**Ownership of carbon rights and land tenure**

**State Forest:** The project area is inside the government-designated state forest zone and falls under the jurisdiction of the Ministry of Forestry (MoF), which has authority to award forest area and management rights either to the private sector or local communities. Forest management and commercial utilisation plans are subject to MoF approval, although some of the MoF’s authority has been devolved to local government as a result of a decentralisation process started in the late 1990s. Results of periodic compliance monitoring determine whether management rights/ licences are revoked or continued.

**Hutan Desa Licenses:** In the project area the HD area licences have already been awarded, and approval of the community forest management licence is a priority activity of this project during 2012-13.

The HD area license is a license awarded by the Ministry of Forestry that results in formal designation of the forest area as the HD of that community. The LPHD must be established before the area license is approved. The HD management license is awarded by the Provincial Governor and awards management authority and rights for sustainable utilisation of forest resources to the community. The HD management license must be processed within two years of approval of the HD area license, but development of the HD management plan and HD forest protection activities can start as soon as the area license is approved.

**Carbon Rights:** Similar to biomass (wood), carbon is considered government ‘property’, and commercial utilisation of this ‘commodity’ by the private sector and community requires government approval in the form of a ‘License of Forest Carbon Management’ (Izin Penyelenggaraan Karbon Hutan). This license will be secured for each HD as part of project activities. Approval for its dis/continuation is contingent on the results of monitoring. Government regulations on benefit-sharing must also be followed, as payment of government levies (‘vertical’ benefit-sharing) is regulated.

**Local Context:** At the local level, while agricultural fields and secondary forest/fallow areas are individually owned, forest is considered as either common property or as an open access area. The sizes of the HD in the pilot villages are 4,884 ha (Durian Rambun village) and 1,070 ha (Laman Satong village). The variety of HD and HA sizes in the villages identified for subsequent project extension are detailed in Appendix 1.
Since the state forest gazettlement process overlapped with village administrative areas, and often included agroforestry and agricultural fields, disputes over the forest zone boundary feature almost anywhere in the country, including in the project area. Supporting the target communities to secure legal recognition of their customary forest areas as HD helps to reduce this tension.

In-migrants also clear the forest and plant crops and claim land ownership, resulting in ongoing conflict between the local community, migrants and forest law enforcement authorities. This is a particular challenge for Durian Rambun village where neighbouring villages have experienced loss of their traditional forest areas to migrant coffee farmers for many years.

Through the HD scheme the community aims to prevent this situation from happening in the project area, through the approach outlined below:

- Clear and legally documented land-rights tenure and placement of boundary markers - prior to HD approval the project area was state forest with no active license creating a management vacuum, leaving the forest resource more vulnerable to illegal exploitation;
- Regular community-based forest patrols supported by rangers from the District Forestry Department and National Park;
- At high risk points in remote areas that are farthest from the village settlement and difficult to patrol routinely, the community will adopt a strategy that has been tested by other communities to deter encroachment by external agents. They will establish a narrow (max 10m) natural barrier of trees with economic value, primarily nutmeg, at the boundary of the project area. Active management of this natural barrier by the local community will help deter illegal actors entering the area. This approach has been approved by the District Head of Forestry.

The steps above will form part of the community’s own land-use strategy. They will require additional support from the District Forestry Department and National Park as the authorities that have the legal mandate to enforce forest protection law where it is required. This will be a cost to government rather than the community. FFI and local NGO partners are also investing resource to support broader conflict resolution efforts between the migrant settlers that are already present in neighbouring forest areas, the local communities and government.

**Description of applicant organisations and proposed governance structure**

The HD area and management licences are granted by the government to the village forest management institution (LPHD). The LPHD is responsible for conducting forest management activities to ensure compliance with laws and regulations pertaining to the HD licence. The LPHD in each target community will function as the legally recognised community forest management group for the purposes of the Plan Vivo project.

FFI will act as the project applicant and focal point for project coordination, representing all sites and providing the linkage with the Plan Vivo Foundation. A number of additional organisations will be involved as project partners, including the Plantation & Forestry Department of Merangin and Ketapang Districts (local government); and long-standing local NGO partners Lembaga Tiga Beradik (L-TB, experienced in community facilitation and forest protection) and ASRI (experienced in agroforestry/reforestation and community conservation). RMI and LATIN (national NGOs) will provide discrete external technical services to the project, supporting in-depth socialisation of REDD+ and the Plan Vivo System, participatory project design and PDD development. PRCF (the People Resources and Conservation Foundation) is assisting with socio-economic assessment in the West Kalimantan project area. None of the partners have a commercial interest in the project.
In order to adapt to the local context of existing partner relationships and distribution of skills and expertise, certain project co-ordinator responsibilities will be led or co-implemented by the partners above. To facilitate transfer of payments from buyers of Plan Vivo certificates to producers in the target communities, a dedicated Indonesia-registered administrative facility will be established for the sole purpose of managing and monitoring certificate sales and PES payments. This will be established by agreed partners as an independent structure, with clear and transparent governance; and will ensure all financial management is managed efficiently and in accordance with national legislation. Henceforth this facility is referred to as the PV management facility.

The section below highlights the expected division of key responsibilities in the Plan Vivo project:

**Administrative**
- Registration and recording of community plan vivos (PV management facility);
- Signatory to and management of PES agreements with LPHDs (PV management facility);
- Managing the use of project finance in the Plan Vivo and making payments to producers (PV management facility);
- Coordinating and recording monitoring (FFI and local NGO partners);
- Negotiating sales of Plan Vivo Certificates (FFI and PV management facility);
- Reporting to the Plan Vivo Foundation (FFI);
- Contracting project validation and verification (FFI);
- Managing project data (FFI and local partners).

**Technical**
- Providing technical support and training to producers in planning and implementing project activities (All partners plus additional external technical support on a needs basis);
- Developing, reviewing and updating forestry and agroforestry systems – the technical specifications (FFI and LATIN);
- Evaluating the quality of community Plan Vivos (FFI and local partners);
- Monitoring implementation and impact of Plan Vivos (FFI and local partners).

**Social**
- Conducting preliminary discussions and on-going workshops with communities (RMI, LATIN, FFI and local partners);
- Gathering socio-economic information for project registration and reporting purposes (FFI, in collaboration with RMI, PRCF and LATIN);
- Helping groups/individuals to demonstrate land tenure (FFI and local partners);
- Advising on issues such as community mobilisation, setting up bank accounts, dispute resolution etc. (LATIN).

**Information about applicant organisation**

- **Legal status:** Registered NGO
- **Long-term objectives:**
  **Vision:** A sustainable future for the planet, where biodiversity is effectively conserved by the people who live closest to it, supported by the global community.
  **Mission:** To act to conserve threatened species and ecosystems worldwide, choosing solutions that are sustainable, based on sound science and take into account human needs.
- **Brief history and achievements:**
  FFI champions the conservation of biodiversity, to secure a healthy future for our planet where people, wildlife and wild places coexist. The organisation works to build the capacity
of local partners to conserve endangered species like the Sumatran tiger, or threatened ecosystems such as the fruit and nut forests of Central Asia. Lasting local partnerships have been at the heart of the organisation’s conservation activities for more than one hundred years, and its work now spans the globe with more than 140 projects in over 40 countries.

- **Summary of current activities:**
  The FFI Indonesia Programme was established in 1996. Today the programme works to conserve a diverse range of threatened species and ecosystems throughout the archipelago, and has a particularly strong focus on empowering forest-edge communities to conserve and benefit from high conservation value forest landscapes. The project team has developed substantial expertise in climate change and the development of REDD+ activities in the Indonesian context.

- **Key personnel to be involved in the project:**

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<thead>
<tr>
<th>Name</th>
<th>Role</th>
<th>Expertise</th>
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<tbody>
<tr>
<td>A. Kusworo</td>
<td>Community Forest, Climate and Livelihoods Advisor</td>
<td>Community-based natural resource management (CBNRM) &amp; governance, national REDD+ regulations, land-use conflict</td>
</tr>
<tr>
<td>Andjar Rafiastanto</td>
<td>Forest &amp; Biodiversity Advisor</td>
<td>Forest &amp; wildlife ecology – surveying, monitoring, species &amp; ecosystem conservation, community forest use, High Conservation Value Forest (HCVF) assessment</td>
</tr>
<tr>
<td>Joseph Adiguna-Hutabarat</td>
<td>Biodiversity &amp; Forest Carbon Specialist</td>
<td>Forest carbon assessment &amp; avoided emissions modelling, remote sensing techniques</td>
</tr>
<tr>
<td>Angga Rachmansah</td>
<td>Biodiversity Specialist</td>
<td>Forest &amp; wildlife ecology – HCVF assessment (surveying, data analysis, monitoring), species &amp; ecosystem conservation</td>
</tr>
<tr>
<td>Sugeng Raharjo</td>
<td>Governance &amp; Land Use Advisor</td>
<td>Spatial planning, landscape-level forest governance, social baseline assessment &amp; monitoring</td>
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<tr>
<td>Ibnu Andrian</td>
<td>Project Lead, Merangin District</td>
<td>CBNRM, community facilitation, government &amp; partner liaison, project management, NTFPs</td>
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<tr>
<td>Lambok Panjaitan</td>
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<td>Community facilitation, participatory methodologies, livelihoods/NTFPs</td>
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<tr>
<td>Ema / Rahmawati</td>
<td>Field Assistant, Ketapang District</td>
<td>Community facilitation, participatory methodologies, livelihoods/NTFPs</td>
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<tr>
<td>Zoë Cullen / Anna Lyons</td>
<td>Environmental Markets / Business &amp; Biodiversity</td>
<td>Project development and marketing</td>
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**Community-led design plan**

Participation of the target community in project design and implementation has and will continue to be central to project delivery. FFI and local partners LTB (Jambi) and Yayasan Palung (West Kalimantan) have been intensively assisting communities in the formation of LPHD and village planning in relation to HD management planning (mapping, HD zoning, preparation of village laws pertaining to HD and drafting of HD management plan documents). RMI has initiated Free Prior and Informed Consent (FPIC) consultation and introduction of basic REDD+ principles at both pilot sites, and ASRI has been implementing a community-based reforestation project in Ketapang District, West Kalimantan.
In keeping with Plan Vivo criteria and guidelines, participatory approaches will be used at every stage of project development to ensure community participation in all activities, such as mapping, baseline forest and social data collection, land use and management planning, risk analysis, project design and monitoring. Project facilitators will encourage the widest possible participation of target community members in project development to help ensure the views of all sectors of the community are represented and that there are equitable opportunities for individual community members both to participate in project activities, and to feel their benefits. Particular effort will be made to facilitate inclusion of vulnerable or potentially marginalised people, such as poorer members of the community and women, particularly female-headed households.

RMI will remain involved to support Plan Vivo REDD+ project design, with additional support from LATIN in community participatory design of project activities, benefit-sharing structures and monitoring protocols for forest and biodiversity conservation and socio-economic impacts. FFI and local partners will continue to provide permanent on-site community facilitation, mentoring and capacity building.

**Additionality Analysis**

In keeping with PV Standards pertaining to additionality, this project is not the product of a legislative decree. The awarding of HD areas and management licences is through legislative decree but substantial support for, and facilitation of, target communities is required in order for this granting of community forest rights to be achieved. There is no requirement for HD to be implemented in the context of a Payments for Ecosystem Services model.

The absence of financial and technical support will prevent village forest sustainable management taking place. Lessons from West Kalimantan reinforce this conclusion: in 1994 a similar community forestry project was initiated in another part of Gunung Palung National Park’s buffer zone. The community groups (2000 families) were granted utilisation rights over 8,000 ha of forest. The project was closed due to conflict with pro-logging parties culminating in the burning of the project camp in Lubuk Kuali\(^9\). Similarly, in the neighbouring Sintang District in the early 2000s a community forestry programme facilitated the granting of forest utilisation rights to a number of community groups (100 ha per group). This resulted in conflicts and forest destruction due to rampant illegal/unsustainable logging, and only minimal economic benefit to communities\(^10\). These experiences illustrate that the granting of forest management rights does not necessarily lead to better forest management.

Current barriers to implementing the proposed project were assessed for the Jambi and West Kalimantan contexts, see below. The barriers identified indicate that the project activity is additional. In the context of intense unplanned deforestation and degradation and planned conversion pressures, coupled with very weak law enforcement, deforestation and degradation trends in the project area cannot be reduced or reversed in the project area without the project activities that will remove barriers and shift incentives in favour of sustainable forest management.

**Durian Rambun village, Jambi Province**

The VCS Additionality Tool (VT0001) was applied to the project concept, to test assumptions about the additionality of activities proposed under the Plan Vivo REDD+ project activities in Jambi. The

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proposed with-project scenario is village forest (HD) managed sustainably and protected as standing natural forest (HD-REDD+).

Numerous barriers to achieving the proposed project scenario were identified, as detailed in the table below. Barriers were lowest for the alternative land use scenario of *HD with illegal deforestation and degradation (HD + DD)*, a form of ‘unplanned’ deforestation and degradation, which is thus defined as the without-project or ‘baseline’ scenario.

<table>
<thead>
<tr>
<th>#</th>
<th>Barrier Type</th>
<th>Barrier Detail</th>
<th>Project Activity</th>
<th>Baseline Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>HD-REDD+</td>
<td>HD + DD</td>
</tr>
<tr>
<td>1</td>
<td>Investment</td>
<td>Sustainable finance to fund activity</td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>2</td>
<td>Institutional</td>
<td>Weak law enforcement</td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>3</td>
<td>Technological</td>
<td>Technical expertise to implement activity</td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>6</td>
<td>Prevailing practice</td>
<td>“First of kind” / pioneering model</td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>7</td>
<td>Social conditions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7a</td>
<td>Demographic pressure</td>
<td></td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>7b</td>
<td>Social conflict</td>
<td></td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>7c</td>
<td>Widespread illegal practices</td>
<td></td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>7e</td>
<td>Shortage of skills in target community</td>
<td></td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>8</td>
<td>Lack of community organisation</td>
<td>Lack of community organisation</td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>9</td>
<td>Land Tenure / Property Rights</td>
<td>Property rights</td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>9d</td>
<td>Formal &amp; informal land holdings</td>
<td></td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>9h</td>
<td>Market Price</td>
<td></td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
<tr>
<td>9i</td>
<td>Rent capture</td>
<td></td>
<td>Barrier</td>
<td>No barrier</td>
</tr>
</tbody>
</table>

Laman Satong village, West Kalimantan Province

The study of land use change in Ketapang District landscape reveals an alarming rate of conversion of lowland secondary forests, chiefly due to agricultural expansion: 50.2% has been converted during the period 2000 (1,280,955 ha) to 2005 (637,868 ha)\(^1\).

Land use change in the forest area of Laman Satong village is consistent with the results of the study. Following logging operations, which ceased in the mid 2000s, the entire village territory was designated by the MoF as convertible production forest (logged-over forest made available for conversion to other/non-forestry uses). In the *proposed* Provincial spatial plan, the area was no longer designated as a forest zone, but *other use land* instead.

In 2009 the district government issued permits for palm oil development in areas bordering the project area, which was followed by the physical process of forest conversion. The majority of Laman Satong village territory is now within the PT. KAL oil palm concession, and the company was keen to secure an even larger area.

However, support from FFI to initiate the community forestry REDD+ initiative in 2009 led to approval of the HD area license in the project area in 2011. As there is now an active (HD) forest area license over the project area, it will not be possible for its status to be converted to ‘other use land’ or for extension of oil palm permits into the area – thus the project is ensuring that the baseline scenario of *planned* conversion to oil palm is avoided. Unplanned deforestation and degradation drivers are also a threat to the HD area, including forest fire, agricultural expansion and illegal/unsustainable logging.

As for Jambi, the VCS Additionality Tool (VT0001) was also applied to test assumptions about the additionality of activities proposed under the Plan Vivo REDD+ project activities in West Kalimantan.

The process concluded that project intervention to achieve the with-project scenario of HF-REDD+ is additional and the alternative landuse scenario with the lowest barriers (the baseline scenario) was conversion to oil palm plantation. The results are summarised in the table below:

<table>
<thead>
<tr>
<th>No</th>
<th>Barrier Type</th>
<th>Barrier Detail</th>
<th>Project Activity</th>
<th>Baseline Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Hutan Desa-REDD+</td>
<td>Oil Palm</td>
</tr>
<tr>
<td>1</td>
<td>Investment Barriers</td>
<td>If there is no investment from carbon financing, then the project cannot be implemented - high upfront project development costs not available without REDD+ project development finance.</td>
<td>Barrier (3)</td>
<td>No Barrier</td>
</tr>
<tr>
<td>2</td>
<td>Institutional barriers</td>
<td>Procedures to obtain HD permit are difficult / impossible for communities without considerable external support (technical &amp; financial). Also, the time allowed to secure the HD management license is only two years, or HD area license may be revoked. Plus very weak law enforcement - action is uncommon and it enforcement does occur generally unsuccessful / impact is short</td>
<td>Barrier (3)</td>
<td>No Barrier</td>
</tr>
<tr>
<td>3</td>
<td>Technological barriers</td>
<td>Technical expertise to implement activity</td>
<td>Barrier (1)</td>
<td>No Barrier</td>
</tr>
<tr>
<td>4</td>
<td>Local tradition</td>
<td>Local wisdom, traditional equipment and technology</td>
<td>No Barrier</td>
<td>Barrier (2)</td>
</tr>
<tr>
<td>5</td>
<td>Prevailing practice</td>
<td>&quot;first of kind&quot; - verified community-based REDD+ currently has no precedent in Indonesia</td>
<td>Barrier (3)</td>
<td>No Barrier</td>
</tr>
<tr>
<td>6</td>
<td>Ecological conditions</td>
<td>Degraded soil, catastroph events, etc - fire, droughts, and unfavorable course of ecological succession are common</td>
<td>Barrier (3)</td>
<td>Barrier (1)</td>
</tr>
<tr>
<td>7</td>
<td>Social conditions</td>
<td>Social conflict, lack of local capacity for sustainable forest management - illegal encroachment &amp; logging are active threats. Local capacity for sustainable forest management limited</td>
<td>Barrier (3)</td>
<td>No Barrier</td>
</tr>
<tr>
<td>8</td>
<td>Lack of organization of local communities</td>
<td>Community governance systems inadequate to ensure sustainable forest management</td>
<td>Barrier (3)</td>
<td>No Barrier</td>
</tr>
<tr>
<td>9</td>
<td>Land Tenure, ownership, inheritance, and property rights</td>
<td>Communal land ownership, complex land tenure legislation and regulations; natural resource management rights &amp; carbon property rights require additional licensing procedures. Uncertain market price for carbon makes prediction of returns from carbon financing challenging</td>
<td>Barrier (3)</td>
<td>No Barrier</td>
</tr>
</tbody>
</table>

**Project activities to address barriers**

- Resolution of land tenure / property rights issues through completion of the HD licensing process (both villages have already been awarded HD area license from MoF and HD management license from Provincial Governor to be secured), and securing carbon permits;
- Targeted training to address specific skills and organisational capacity required by the target community to implement project activities successfully;
- On-going facilitation and awareness-raising within the target community to strengthen skills developed through training and ensure all sectors of the target community have a common understanding and buy-in to project activities;
- Resolution of conflict with neighbouring and in-migrant communities and improved compliance with formal and customary forest management laws through effective monitoring of the project area by the target community, and access to sustainable finance to fund forest long-term forest protection activities;
- Threat of illegal practices within the target community and demographic pressures addressed by demonstration of material benefits to communities as a direct result of sustainable forest management (revenue from the sale of Plan Vivo certificates), and support to realise additional benefits from existing agricultural lands and non-timber forest products.

**Compliance with regulations and notification of relevant bodies**

The project will comply with all relevant national and international regulations. Indonesian regulations pertinent to project design and implementation are as follows:

**Hutan Desa Regulation:** The HD tenure arrangement was introduced as a formal community forestry scheme in Indonesia by the issuance of MoF decree P. 49/2008 on HD. The purpose of HD is
to give access to local communities, through village institutions, to legally recognised, sustainable utilisation of forest resources. Improving local community well-being and sustainable management of the forest estate are the main objectives. The two main steps to establishing HD are obtaining 1) a MoF licence for the forest area and 2) a provincial governor licence for forest management. Both steps involve stringent formal verifications. Failure to secure the forest management licence from the governor revokes the MoF area licence.

The HD licence is non-transferable, valid for 35 years, renewable, and monitored at least once every five years. The LPHD is responsible for HD boundary demarcation, formulation of the HD management plan, forest protection, rehabilitation, and restoration/enrichment. There is a timber harvest quota for non-commercial purposes (housing and infrastructure construction in the village) of 50 m³ per annum. Commercial wood and non-wood products utilisation (up to 20 tonnes per annum), and environmental service payment schemes (including payments for carbon sink and sequestration) are allowed, but require separate approval. The project will facilitate target communities to secure the necessary permit for carbon sequestration and trading. A framework for legal timber certification exists, but guidelines for commercial timber utilisation from community-managed state forests are still in the formulation stage.

**REDD+ Regulation:** National legislative frameworks for carbon sinks and sequestration are already promulgated. MoF decrees P.36/2009 and, most recently, P.20/2012 regulate forest carbon/REDD+ projects. Eligibility of HD management license holders as forest carbon managers is specified in P.36/2009 in P.20/2012¹², and English translations of both regulations are provided as an attachment to this PIN.

Entities (government, private sector, local community) with forest management rights must register their projects with the MoF. In forest zones with no competing licence, REDD+ project proponents need to apply for a carbon sink and sequestration business permit. International systems and standards for project development and marketing (CCBA, VCS, Carbon Fix, and Plan Vivo) are recognised in P.36/2009¹³. The decree also stipulates vertical distribution/sharing of revenue from the sale of carbon credits, which is currently subject to review. According to P.36/2009 distribution of REDD revenues from forest areas managed by communities as HD should be as follows¹⁴:

- 50% to community;
- 30% to project developer;
- 20% to government.

However, the regulation is currently subject to review and is likely to change in the future. During the initial period of uncertainty, FFI is seeking to secure upfront fund commitments to finance performance-based PES payments through a grant mechanism that will not use the commercial credit sales model, or be subject to its legislative requirements.

FFI is in regular communication with the Ministry of Forestry on Indonesian jurisdictional requirements for REDD+ projects and is monitoring any new developments in relevant policy that may affect planning and implementation of this project.

The MoF has developed national standards for land cover classification (SNI 7645:2010), carbon stock measurement and accounting (SNI 7724:2011), and formulation of allometric equations (SNI

¹² References: Paragraph 5 – P.36/Menhut-II/2009; and Article 6 – P.20/Menhut-II/2012
¹³ Reference: Attachment II Ministry of Forestry – P.36/Menhut-II/2009
7725:2011). These standards will be used to inform development of the project’s technical specification for Avoided Deforestation.

**Notification of relevant bodies:** MoF representatives and District Forestry Department in Ketapang and Merangin Districts have been informed of the proposed project, its activities and participants through presentation on the progress of FFI’s wider REDD+ programme in Indonesia to the MoF REDD+ Working Group, and informal discussion directly with the Chairperson of the REDD+ Working Group. Local government staff participated in Plan Vivo training in Merangin, Ketapang and Bogor in June 2012.

The project team is currently completing estimates of potential avoided GHG emissions from all Hutan Desa FFI is supporting in Merangin and Ketapang Districts. The results will be used to engage in more depth with the MoF REDD+ Working Group and the Presidential REDD+ Task Force. Sources of start-up funding identified.

FFI has secured funds from various sources for community forestry and REDD+ development in West Kalimantan and Jambi Provinces. These funding sources include Packard/CLUA, EU, USAID, ICAP, Darwin Initiative, and UK-FCO.

**Acronyms**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBNRM</td>
<td>Community-based Natural Resource Management</td>
</tr>
<tr>
<td>EN</td>
<td>Endangered (IUCN Red List classification)</td>
</tr>
<tr>
<td>FFI</td>
<td>Fauna &amp; Flora International</td>
</tr>
<tr>
<td>FPIC</td>
<td>Free Prior and Informed Consent</td>
</tr>
<tr>
<td>HD</td>
<td>Hutan Desa (village forest)</td>
</tr>
<tr>
<td>GHG</td>
<td>Greenhouse Gas</td>
</tr>
<tr>
<td>ICRAF</td>
<td>World Agroforestry Centre</td>
</tr>
<tr>
<td>IUCN</td>
<td>International Union for Conservation of Nature</td>
</tr>
<tr>
<td>KSNP</td>
<td>Kerinci Seblat National Park</td>
</tr>
<tr>
<td>LATIN</td>
<td>Lembaga Alam Tropika Indonesia</td>
</tr>
<tr>
<td>L-TB</td>
<td>Lembaga Tiga Beradik</td>
</tr>
<tr>
<td>LPHD</td>
<td>Lembaga Pengelola Hutan Desa (village forest management institution)</td>
</tr>
<tr>
<td>MoF</td>
<td>Ministry of Forestry</td>
</tr>
<tr>
<td>NT</td>
<td>Near Threatened (IUCN Red List classification)</td>
</tr>
<tr>
<td>NTFP</td>
<td>Non Timber Forest Product</td>
</tr>
<tr>
<td>PES</td>
<td>Payments for Ecosystem Services</td>
</tr>
<tr>
<td>PIN</td>
<td>Project Idea Note</td>
</tr>
<tr>
<td>PRCF</td>
<td>People Resources and Conservation Foundation</td>
</tr>
<tr>
<td>RMI</td>
<td>Rimbawan Muda Indonesia</td>
</tr>
<tr>
<td>VU</td>
<td>Vulnerable (IUCN Red List classification)</td>
</tr>
<tr>
<td>WHS</td>
<td>(UNESCO) World Heritage Site</td>
</tr>
</tbody>
</table>
Appendix 1: Potential project expansion sites

Expansion of the project is planned to include the following villages, pending results of participatory feasibility assessments and successful proof of concept in the two pilot villages:

<table>
<thead>
<tr>
<th>Province</th>
<th>District</th>
<th>Village</th>
<th>Estimated HD/HA Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jambi</td>
<td>Merangin</td>
<td>Koto Rami</td>
<td>1,855</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lubuk Birah</td>
<td>4,638</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tanjung Dalam</td>
<td>2,160</td>
</tr>
<tr>
<td></td>
<td>Merolangun</td>
<td>Berkun</td>
<td>98</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lubuk Bedorang</td>
<td>441</td>
</tr>
<tr>
<td></td>
<td>Sarolangun</td>
<td>Meribung</td>
<td>461</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mersip</td>
<td>158</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Muaro Pemuat</td>
<td>Participatory mapping underway</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Napal Melintang</td>
<td>210</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Raden Anom</td>
<td>Participatory mapping underway</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tamenggung</td>
<td>140</td>
</tr>
<tr>
<td>West Kalimantan</td>
<td>Kapuas Hulu</td>
<td>Buak Limbang*</td>
<td>8,555</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Jongkongkiri Hilir</td>
<td>4,795</td>
</tr>
<tr>
<td></td>
<td>Ketapang</td>
<td>Nangabetung</td>
<td>1,881</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Piasak</td>
<td>2,850</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ujung Said*</td>
<td>13,071</td>
</tr>
</tbody>
</table>

*Note: All village forest areas are located on mineral soils, with the exception of Buak Limbang and Ujung Said in Kapuas Hulu District, which are located on peat soils.
Appendix 2: Project Maps

Map 1. Satellite imagery of Durian Rambun village forest
Map 2. Satellite imagery of Durian Rambun village forest and potential project extension sites in Merangin & Sarolangun Districts
Map 3. Satellite imagery of Laman Satong village forest
Map 4. Land use cover of Laman Satong village forest