Climate Investment Funds

**FOREST INVESTMENT PROGRAM**

**INDONESIA’s FIP INVESTMENT PLAN**

**MONITORING AND REPORTING[[1]](#footnote-1)**

|  |  |
| --- | --- |
| Investment plan endorsement date | November 5, 2012 |
| Lead MDB | **World Bank** |
| Other MDBs | **ADB, DANIDA, IFC** |
| Reporting date (mm/dd/yy) | **June 30,2018** |
|   |
|   | Title | Implementing MDB | FIP funding approval date | MDB approval date |
| Projects/Programs | Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+)  | ADB | 7/27/2016 | 9/30/2016 |
| Forest Investment Promoting Sustainable Community-Based Natural Resource Management and Institutional Development  | IBRD | 10/8/2015 | 4/18/2016 |

|  |  |  |
| --- | --- | --- |
|

|  |
| --- |
| **FIP TABLE 1.1** |
| **Theme 1.1: GHG emission reductions or avoidance/enhancement of carbon stocks** |

 |
| **INDONESIA Lead MDB:** WORLD BANK |  |  |  |  |  |   |
| **Other implementing MDBs:** | **ADB** |  | **Level: Project Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+) (FIP 1)** |   |
| **Endorsed FIP funding (million USD):** | **17.5** |  |  |  |  |  |   |
| **Co-financing (million USD):** |  |  |  |  |  |  |  |
|  | **Reporting period** | From: | 01/01/17 |  To: 12/31/17 |  |  |
| **Table 1.1.A.** | Unit | Reference emissions level/baseline(if applicable) | Target 1[[2]](#footnote-2)*(Expected results after the financial closure of the last project/program under the investment plan)* | Target 2[[3]](#footnote-3)*(Lifetime projection of expected results of projects/programs under the investment plan)* | Reporting year Actual annual |
| **GHG emission reductions/avoidance/ enhancement of carbon stock (Total)[[4]](#footnote-4)** | Million tons of CO2 equivalent |  TBD[[5]](#footnote-5) | TBD | TBD |   |
| **GHG emissions from reduced/avoided deforestation and forest degradation** | Million tons of CO2 equivalent |  TBD | TBD | TBD |   |
| **GHG sequestered through natural regeneration, re- and afforestation, and other related activities** | Million tons of CO2 equivalent |  TBD | TBD  | TBD |    |
| **Type of forest(s)** | Tropical Forest |
| **Area covered** | 29,880 hectares (ha) |
| **Investment plan lifetime** | 5 years |
| Please specify methodology/ies used for GHG accounting (e.g., by project/program), including the start year and period for the Reference Emissions LevelThe baseline study will be implemented in 2018, the agreed method will be informed subsequently. |
| Please provide a brief description of the interventions (context and objective). The project has 3 components with the objectives as follows: 1. Community-focused and gender responsive REDD+ pilots in Kapuas Hulu and Sintang districts implemented: 17 villages in 4 FMUs. Indicator of outputs are:
2. Four FMUs in two districts implement REDD+ pilots in a participatory manner
3. 6,000 ha of degraded land rehabilitated through community-based assisted natural regeneration.
4. 1,880 ha of deforested land brought under improved community-based agroforestry systems.
5. 5,000 ha of additional natural forest protected directly and 91,000 ha indirectly through community-based forest fire management, including improved honey collection and fish drying techniques.
6. 17,000 ha of natural forest land brought under CBFM.
7. At least 20 staff and 500 community members (150 women) trained in implementing community-based REDD+ pilots.
8. At least 10,000 people (5,000 women) in 2,800 households in project villages with improved clarification on access to land and natural resources.
9. Provincial REDD+ Strategy in West Kalimantan effectively implemented Sub-national Fiscal Policies on REDD+ Harmonized with National Policies
10. Three provincial regulations supporting REDD+ issued.
11. Grievance redress mechanism on tenure and REDD+ operationalized
12. At least 50 staff (15 women) trained on REDD+ planning, implementation and communication.
13. Safeguards and community-based monitoring system for REDD+, including activity registry, established
14. Sub-national fiscal policies on REDD+ harmonized with national policies
15. Guidelines for integrating natural capital considerations into fiscal policies and incentive mechanisms drafted.
16. At least three sub-national policies (fiscal, benefit sharing and incentive mechanisms) harmonized with national policies.
17. At least three gender-responsive proposals for mobilizing sub-national REDD+ funding developed
 |
| What have been key contributions (successes) of FIP regarding GHG emission reductions/avoidance/enhancement of carbon stock in your country context during this reporting year?The project has just commenced in early 2018. The information of the project contribution in GHG emission reduction/avoidance/enhancement of carbon stock will be reported subsequently. |
| What have been your key challenges and what opportunities for improvement do you see?Challenge: The enacted of Law No. 23/2014 on Regional Autonomy especially on the esponsibility transfer of FMU management from district to provincial level leads to the change of resonsible area of the new FMUs and cause the status of piloting area. Therefore, it is necessary to ensure the FMU that has the piloting projects areas |

|  |  |  |
| --- | --- | --- |
|

|  |
| --- |
| **FIP TABLE 1.1** |
| **Theme 1.1: GHG emission reductions or avoidance/enhancement of carbon stocks** |

 |
| **INDONESIA Lead MDB:** WORLD BANK |  |  |  |  |  |   |
| **Other implementing MDBs:** | **World Bank** |  | **Level: Project Forest Investment Promoting Sustainable Community-Based Natural Resource Management and Institutional Development** **(FIP 2)** |   |
| **Endorsed FIP funding (million USD):** | **17.350** |  |  |  |  |  |   |
| **Co-financing (million USD):** | **5,070** |  |  |  |  |  |  |
|  | **Reporting period** | From: | 01/01/17 |  To: 12/31/17 |  |  |
| **Table 1.1.B.** | Unit | Reference emissions level/baseline(if applicable) | Target 1[[6]](#footnote-6)*(Expected results after the financial closure of the last project/program under the investment plan)* | Target 2[[7]](#footnote-7)*(Lifetime projection of expected results of projects/programs under the investment plan)* | Reporting year Actual annual |
| **GHG emission reductions/avoidance/ enhancement of carbon stock (Total)[[8]](#footnote-8)** | Million tons of CO2 equivalent |  TBD[[9]](#footnote-9) | TBD | TBD |   |
| **GHG emissions from reduced/avoided deforestation and forest degradation** | Million tons of CO2 equivalent |  TBD | TBD | TBD |   |
| **GHG sequestered through natural regeneration, re- and afforestation, and other related activities** | Million tons of CO2 equivalent |  TBD | TBD  | TBD |    |
| **Type of forest(s)** | Tropical Forest |
| **Area covered** | 1,400,000[[10]](#footnote-10) hectares (ha) |
| **Investment plan lifetime** | 5 years |
| Please specify methodology/ies used for GHG accounting (e.g., by project/program), including the start year and period for the Reference Emissions LevelThe baseline study will be implemented in 2018, the GHG accounting will inlined with the baseline study methond 10 FMUs and formed subsequently |
| Please provide a brief description of the interventions (context and objective). The project development objective is to strengthen institutional and local capacity for decentralized forest management and generate better forest-based livelihoods in targeted areas.To achieve the objectives, the project focuses on: 1. Strengthen legislation, policy, and institutional capacity in decentralized forest management,
2. knowledge platform development and
3. Improve forest management practices in up to 10 FMUs.
 |
| What have been key contributions (successes) of FIP regarding GHG emission reductions/avoidance/enhancement of carbon stock in your country context during this reporting year?1. The project has listed and identified the policies that need revision and had been dialoged among concerned ministerial in the Workshop of Inter-ministerial dialogue involving 150 participants from Central and Provincial Government , universities, and FMUs.
2. The project has developed and prepared the essential inputs for the revision of GR 44/2004 on Forestry Planning; GR 6 / 2007 on Forest Arrangement, Forest Plan Management and Forest Utilization; and GR 35 / 2002 on Reforestation Fund.
3. The project has implemented Training Needs Assessment, curricula development, and conducted trainings involving 311 participant of FMUs Staff (more than ) and communities (1200 people including indegenous people)
4. The project has implemented forest management practices improvement in 2 FMUs through activities among others: Technical Assistance on Drafting/Revising Forest Management Plan, Capacity building on participatory planning for communities, Need assessment and its validation, Consultative process in conflict tenurial mediation.
5. The project has implemented community empowerment through activities among others: Identification of social forestry Business opportunities, Technical Assistance on Conflict Resolution, technical assistance on drafting/revising forest management plan, and inter-FMU Comparative Study.
 |
| What have been your key challenges and what opportunities for improvement do you see?Challenges: Pilot FMU becomes a Center of Excellence (COE) for sustainable forest management at FMU level as the last resort of natural resources and community welfare in and/or surrounding of forest area as well as community contribution in a sustainable FMU.Opportunities: Environment, Social and Economic Community are the main bases for sustainable forest management (SFM).  |

**FIP FORM 1.1**

**THEME 1.1: GHG EMISSION REDUCTIONS OR AVOIDANCE/ ENHANCEMENT OF CARBON STOCKS**

**Level: Investment plan**

Please answer the following question with a narrative description of the results achieved by the FIP investment plan in your country in the reporting year. If data is available, you may also compare progress made in the reporting year to the previous one (i.e., number of hectares reforested). GHG emission reductions or carbon stocks enhancements are reported at start, mid-term, and end of investment plan implementation.

1. Which actions were taken by your country to bring areas under sustainable practices (sustainable forest management or sustainable land management practices) or to reduce GHG emissions/enhance carbon stocks? Please describe tree species planted, benefitting populations, ecosystems, and other relevant information.

As the projects were in the preparation stages in 2017. The actions toward sustainable practices or reduction of GHG emission/enhance carbon stocks have not been implemented. In 2017, the Projects was focused on:

1. The identification of regulations that need revisions including the inputs. The identified regulations among others: GR 44/2004 on Forestry Planning; GR 6 / 2007 on Forest Arrangement, Forest Plan Management and Forest Utilization; and GR 35 / 2002 on Reforestation Fund.
2. The capacity building including (i) training needs assessment, (ii) curricula development, (iii) trainings involving 311 participant of FMUs Staff (more than ) and communities (1200 people including indegenous people).
3. Forest management practices improvement in 2 FMUs through activities among others: Technical Assistance on Drafting/Revising Forest Management Plan, Capacity building on participatory planning for communities, Need assessment and its validation, Consultative process in conflict tenurial mediation.
4. Preparation to implement community empowerment through activities among others: Identification of social forestry Business opportunities, Technical Assistance on Conflict Resolution, technical assistance on drafting/revising forest management plan, and inter-FMU Comparative Study.

|  |
| --- |
| **FIP Table 1.2** |
| **Theme 1.2.A.: Livelihoods co-benefits**  |
| **INDONESIA** **Implementing MDB:** |   | ADB | **Level: Project/program** |
| **Executing agency:** | **Directorate General of Social Forestry and Environmental Partnership****Ministry of Environment and Forestry** | **Project/program title:** |  **Project Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+) FIP 1** |
| **Amount of FIP funding (million USD):** | **17.5** |  |  |  |  |  |  |   |
|  **Co-financing (million USD):** |  |  |  |  |  |  |  |   |
|  |  |  |  |  |  |  |  |   |
| **Date of MDB approval:** | 9/30/2016 | Reporting date | 06/30/18 |  |   |
| **Table 1.2B** | Baseline | Target at the time of MDB approval | Reporting year Actual annual | Additional information |
| 1. Income

Indicator:Annual income pe year | Total | 13,678 |  10,000 |  0 |  2015 baseline:Number of Households 3735Income per Households Rp30 million/year in Kapuas Hulu, Rp15 million/year Sintang in project villages  |
| Men | NA | 5,000 | 0 |
| Women | NA | 5,000  | 0 |
| 1. Employment

Indicator: | Total | NA | NA  | 0 |   |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Entrepreneurship

Indicator: | Total | NA | NA | 0 |   |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Access to finance

Indicator: | Total | NA | NA | 0 |  |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Education

Indicator: | Total | NA | NA | 0 |  |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Health

Indicator: | Total | NA | NA | 0 |  |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Other relevant benefits

Indicator: |  | NA | NA |  |  |
| What have been key contributions (successes) of FIP regarding livelihoods co-benefits in your country context during this reporting year? |
| The Project was in the preparation stages of activities, the information related to livelihoods will be reported subsequently. |
| What have been your key challenges and what opportunities for improvement do you see? |
| The Project will identify the key chakenges and opportunities emerged after the activities completed. The activities related to livelihoods will be implemented in 2018. |

|  |
| --- |
| **Theme 1.2.B.: Livelihoods co-benefits**  |
| **INDONESIA** **Implementing MDB:** |   | ADB | **Level: Project/program** |
| **Executing agency:** | **Directorate General of Forestry and Environmental Planning****Ministry of Environment and Forestry** | **Project/program title:** |  **Promoting Sustainable Community-Based Natural Resource Management and Institutional Development** |
| **Amount of FIP funding (million USD):** | **17.350** |  |  |  |  |  |  |   |
|  **Co-financing (million USD):** | **5,070** |  |  |  |  |  |  |   |
|  |  |  |  |  |  |  |  |   |
| **Date of MDB approval:** | 4/18/2016 | Reporting date | 06/30/18 |  |   |
| **Table 1.2B** | Baseline | Target at the time of MDB approval | Reporting year Actual annual | Additional information |
| 1. Income

Indicator: | Total | NA | 113,000  |  0 | Ref: PAD, p. 23 55 % (PAD)45 % (PAD) |
| Men | NA | 62,150 | 0 |
| Women | NA | 50,850 | 0 |
| 1. Employment

Indicator: | Total | NA | 113,000  | 0 | As above |
| Men | NA | 62,150 | 0 |  |
| Women | NA | 50,850 | 0 |  |
| 1. Entrepreneurship

Indicator: | Total | NA | 1.000-2.000 | 0 |   |
| Men | NA | 550-1.100 | 0 |  |
| Women | NA | 450-900 | 0 |  |
| 1. Access to finance

Indicator: | Total | NA | NA | 0 |  |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Education

Indicator: | Total | NA | NA | 0 |  |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Health

Indicator: | Total | NA | NA | 0 |  |
| Men | NA | NA | 0 |  |
| Women | NA | NA | 0 |  |
| 1. Other relevant benefits

Indicator: |  | NA | NA |  |  |
| What have been key contributions (successes) of FIP regarding livelihoods co-benefits in your country context during this reporting year? |
|  |
| What have been your key challenges and what opportunities for improvement do you see? |
|  |

**FIP FORM 1.2**

**THEME 1.2: LIVELIHOODS CO-BENEFITS**

**Level: Investment plan**

Please answer the following questions with a narrative description of the results achieved by the FIP investment plan in your country in the reporting year. Explain the progress made in the reporting year, compared to the previous one. Please provide one narrative for each relevant aspect, such as income, employment, entrepreneurship, access to finance, education, health, or others.

1. Number of beneficiaries:

The FIP program in Indonesia is expected to provide positive impacts to about 123,000 beneficiaries.

1. Which actions were taken to provide livelihood co-benefits (monetary or non-monetary benefits) that beneficiaries received?

|  |
| --- |
| The project is aimed to strengthen institutional and local capacity for decentralized forest management and generate improved forest-based livelihoods in targeted areas. Related to livelihood co-benefits, the FIP will implement: (i) under FIP I, community focused and gender responsive REDD+ pilots with interventions activities: Home gardens and NTFP production, Community-basedecotourism, and Handicrafts production, and (ii) under FIP II with intervention community empowerment activities in 10 FMUs. However, these activities will be conducted in 2018. |

1. Who was involved? Were any partnerships established?

-

1. Why did it make a difference?

**-**

1. Will benefits last after the project is completed? Explain.

The benefits are expectedly remain and will be burgeoned after the project completed among others:

- Regulations support Independency to manage FMU,

- Continuation community empowerment in the FMU management,

- Continuation of technical assistance and training of local community for forest sustainability.

- FMU and forest business institution establish and develop.

- Community awareness increase and sustainable Forest Management (SFM) supported by stakeholders.

1. How do they impact vulnerable groups?

-

**FIP FORM 2.1**

**THEME 2.1: BIODIVERSITY AND OTHER ENVIRONMENTAL SERVICES**

**Level: Investment plan**

Please answer the following questions with a narrative description of the results achieved by the FIP investment plan in your country in the reporting year. Explain the progress made in the reporting year, compared to the previous one.

1. Which activities have been conducted in the reporting period to reduce the loss of habitats and other environmental services?

In 2017, the project conducted a preparation activities to reduce loss of habitat and other environmental services, among others preparation on social and environmental study at 10 KPHs, and technical assistance on community development in 2 KPHs/FMUs.

The FIP activities directly related to reduces the loss of habitats and other environmental services will be implemented in 2018.

1. What have been key contributions (successes) of FIP interventions regarding biodiversity and environmental services in your country context during this reporting year?

-

1. What have been your key challenges and what are opportunities for improvement?

-

1. Other criteria:

**FIP FORM 2.2**

**THEME 2.2: GOVERNANCE**

**Level: Investment plan**

Please answer the following questions with a narrative description of the results achieved by the FIP investment plan in your country in the reporting year. Explain the progress made in the reporting year, compared to the previous one.

1. How has FIP contributed to ensuring that stakeholder processes allow the participation of marginalized or vulnerable groups, such as women and indigenous or traditional groups, in forest-related decision-making processes?
	* + - 1. In 2017, conducted selection of 20 community groups that will receive financial aid and community empowerment participatory way in the KPH management, including marginal community, women group, and local community.
				2. In 2017, Need Assessment activities in 2 KPH (KPH Damplas Tinombo and KPH Rinjani Barat) that involved communities surrounding the KPH.
2. How has FIP contributed to the quality, timeliness, comprehensiveness, and accessibility of forest-related information available to stakeholders, including public notice and dialogue on pending actions?

- Development of Knowledge Management Information System (KMIS) will be developed in 10 KPH to facilitate wider communication both for community at KPH level and within KPHs, where since 2017 provision of KMIS hardware (PC and notebook, internet access) at 3 KPHs available.

- Dialogue process happen on implementation of social forestry development at KPH.

1. What have been key contributions (successes) of FIP regarding forest governance in your country context during this reporting year?

-

1. What have been your key challenges and what are opportunities for improvement?

-

1. Other criteria:

**FIP FORM 2.3**

**THEME 2.3: TENURE, RIGHTS, AND ACCESS**

**Level: Investment plan**

Please answer the following questions with a narrative description of the results achieved by FIP investment plan in your country in the reporting year. Explain the progress made in the reporting year, compared to the previous one.

1. Which actions have been taken to improve the legal frameworks to protect forest-related property rights and access for all forest stakeholders, including women and indigenous peoples?

 By issuing Presidential Regulation No. 88/2017, the Government regulate 4 options to handle tenure conflict that are: 1) forest land allocation for settlement; b) forest land swap; c) social forestry program; and d) resettlement.

1. What have been key contributions (successes) of FIP regarding forest tenure, rights, and access in your country context during this reporting year?

-

1. What have been your key challenges and what opportunities for improvement do you see?

-

1. Other criteria:

-

**FIP FORM 2.4**

**THEME 2.4: CAPACITY DEVELOPMENT**

**Level: Investment plan**

Please answer the following questions with a narrative description of the results achieved by the FIP investment plan in your country in the reporting year. Explain the progress made in the reporting year, compared to the previous one.

1. Which actions enhanced institutional capabilities to develop and implement forest and forest-relevant policies at the national, regional, and local Level?

The project has been conducting inter-ministerial dialogue at national and regional level in 2017, in order to enhance stakeholder concern and clarified current issue on reviewing policy, regulation and procedure to support operationalization of FMU.

Continuation of the inter-ministerial dialogue, FGD conducted to give input in reviewing GR No. 44/2004, GR 6/2007 and GR 35/2002, and later on will revise and or develop Ministerial Regulation in the Minister of Environment and Forestry and other ministries.

1. Through which actions did FIP improve capacities of stakeholders in forest and land use planning and management?

In 2017 the activities in forest and land use planning to enhance stakeholder capacities and management has not been implemented yet. Training Workshop to improve the capacity will be conducted in 2018.

1. What have been key contributions (successes) of FIP regarding capacity development in your country context during this reporting year?

-

1. What have been your key challenges and what are opportunities for improvement?

-

1. Other criteria:

**FIP FORM 3.1**

**THEME 3.1: THEORY OF CHANGE AND ASSUMPTIONS**

**Level: Investment plan**

Please explain how the implementation of the FIP investment plan is contributing to transformational changes in addressing the drivers of deforestation and forest degradation in your country. Please report progress on the theory of change and assumptions at mid-term and end of the investment plan. If projects start at different points in time, the FIP country focal point may decide which point in time best represents the mid-term of the investment plan.

1. Please briefly describe how FIP contributed to transformational changes in addressing the drivers of deforestation and forest degradation in your country as presented in the endorsed FIP investment plan. What is the value added of FIP?
* Indonesia has the forest that covers 70% of its land area scaterred in about 16,056 islands. Deforestation, forest degradation and peat decomposition account for up to 15% of GHG emissions globally and up to 60%.
* The annual GHG emissions from deforestation and forest degradation are estimated to be between 320 and 430 million tons of carbon dioxide equivalent (CO2e) while the average annual forest loss varied from 1.87 (1990-1996) to 0.8 million hectares (2007-2014).
* The key drivers of deforestation and forest degradation encountered are: (i) commercial logging; (ii) conversion of forest to agriculture; (iii) mining (primarily coal and gold); and (iv) uncontrolled fires. The underlying causes include: (i) inconsistent and inadequate spatial planning (due to limited accurate data to inform regional spatial plans), (ii) unclear land use rights and conflicts, and (iii) weak governance, leading to a continued depletion of forest assets and eroding livelihoods of local communities. Risk of forest fires in the province is elevated especially during prolonged warm periods, promoting easier ignition and faster spread. In 2015, for example, massive forest fires occurred due to high temperatures and El Nino-induced drought.
* The changing institutional and legal landscape makes implementing decentralized
management of forests even more important. The Constitutional and Supreme Court decisions - MK45/2011; MK35/2013; MA47P/Hum/2011 (23 December 2013) - changed the perception and
legal basis for the authority of MoEF over the nominated Forest Estate. The decisions require that government formally gazette forest land prior to having it legally recognized as Forest Estate, recognize the legitimacy of Adat communities to land title, and clarify the retrospective nature of nominal forest land. It, therefore, is important to effectively implement institutional models, like KPHs, that can work in partnership with local stakeholders, including Adat communities, to sustainably manage the forests as the ownership issues are addressed.
* KPHs are to be the basis for governing and managing all forest areas and functions
at the local level based on forest management plans, and in close consultation and collaboration
with local government, community groups, local industries, license holders, and other
stakeholders. The KPHs are designed to be part of provincial government and to manage forests
for their functional purpose (that is, production, protection and conservation) while contributing to subnational growth and community wellbeing. KPHs are expected to improve forest
administration and use of forest land by aligning participatory forest land use planning with the
subnational spatial plans, providing on-site management of forests, and being responsive to local needs, interests and claims. KPHs are to be repositories of information, work with local
stakeholders, and reconcile various parties’ interests to use forests with the available resource base in order to achieve sustainable management of forests within a broader landscape*.*
* The FIP will contribute to bring transformational changes in the way REDD+ is implemented at subnational level in project areas. Transformational impact is expected in institutions (e.g., FMUs), policies (e.g., clarification of access to resources through spatial mapping), technologies (e.g., use of satellite imagery, advanced communication systems, fire prevention systems), and behavior of stakeholders (e.g., local communities, private sector with regard to protection of natural forests)
* FIP will not only reduce GHG emissions but also enhance carbon stocks, provide community
livelihood co-benefits, clarify and protect tenure rights of customary communities, and enhancen conservation of biodiversity and ecosystem services.
* The FIP is expected to increase stakeholder involvement, capacity building, benefit sharing mechanisms, incentives and livelihood support, tenure clarification, and safeguards from other REDD+ initiatives by the government and development partners. The need for promoting strong ownership and involvement of the local communities and sub-national governments in project design and implementation was recognized. Likewise, the need for implementing advance actions and application of project readiness filters has been considered critical to minimize start-up delays.
1. Please assess how well the theory of change and underlying assumptions described in the endorsed investment plan are playing out in practice, what can be learned, and whether corrective measures need to be taken.
* As designed, the Forest Management Unit (Kesatuan Pengelolaan Hutan) plays major part to endorse investment plan. In line with decentralization program, Indonesia conducts the development of FMUs to mandate forest management to subnational governments as stated in National Midterm Development Plan, and Strategic Plan of Ministry of Environment and Forestry of 2015-2019. The establishment of FMUs involves inter ministerial from Ministry of Home Affairs and Ministry of Evironment and Forestry. Indonesia has established 317 out of 531 targeted FMUs.
* The challenges of the new FMUs are among others (i) the commitment and understanding of subnational government (district level), (ii) the quantity and quality of human resources, and (iii) the tasks and functions of concerned insitutions including ralated ministries at national level.
* Government of Indonesia has issued regulations to the sustainability of good governance of forest management as well as to ensure the achievement of the FIP goals:
1. Goverment Regulation (GR) 6/2007 jo. GR 3/2008 about Forest Arrangement, Development of Management Plan, and Forest Utilization
2. GR 41/2007 jo. GR 18/2016 about Regional Organization Structure
* Assumptions on approved FIP projects include:

- Indonesia's forests as one of nature's critical landscapes, whereas forest resources has a strategic position in national economic development, as a source of local livelihood, and as a part of the global environmental system supporters.

- Government of Indonesia policy will maintain 63% of land area as permanent forest, commitment to reduce GHG emissions for amount 41% by 2020,

- Decentralization of forest management in the FMU site and its operationally, and

- Indonesia accepted the concept of a financial compensation scheme from REDD.

* In the national GHG emission reduction plan, by 2030 it is projected a 38% emission reduction from the baselines of emissions in 2010, with conditional mitigation (CM2) records, whereas if through unconditional mitigation the rate of the reduction is only of 29%.
* The assumed benchmark size of GHG emission reduction in 2030 will be 38% of the 2010 emissions baselines.

**FIP FORM 3. 2**

**THEME 3.2: CONTRIBUTION TO NATIONAL REDD+ AND OTHER NATIONAL DEVELOPMENT STRATEGIES AND UPTAKE OF FIP APPROACHES**

**Level: Investment plan**

Please describe how FIP enhanced and/or advanced the national REDD+ process (including REDD+ readiness and performance-based mechanisms) and relevant development strategies.

The project will contribute to the objectives of the master plan for the acceleration and
expansion of Indonesia’s economic development 2011–2025, national action plan to reduce
GHG emissions, national REDD+ strategy and West Kalimantan’s provincial action plan to
reduce emissions

With FMU operations in the field, deforestation and forest degradation can be controlled and degradation areas can be rehabilitated so that carbon emissions can be reduced through the expanding of forest cover.

In the national level with the operation of FMU management, the readiness of applying the REDD mechanism can be guaranteed. Therefore to achieve FMU operationalization and success in expanding forest cover, technical assistance is needed to conduct monitoring, reporting and verification processes in accordance with criteria and standards.

**Project Community-Focused Investments to Address Deforestation and Forest Degradation (CFI-ADD+)**

West Kalimantan is one of the top five provinces in Indonesia contributing to GHG emissions, with an average annual deforestation of 132,500 ha. The key drivers of deforestation and forest degradation are: (i) commercial logging; (ii) conversion of forest to agriculture; (iii) mining (primarily coal and gold); and (iv) un-controlled fires. The underlying causes include: (i) inconsistent and inadequate spatial planning (due to limited accurate data to inform regional spatial plans), (ii) unclear land ownership and land conflicts, and (iii) weak governance (including uncoordinated sectoral development planning, overlapping permits in forest areas, weak spatial planning capacity, limited site level forest management oversight, contradictory regulations and laws, perverse fiscal incentives, inadequate law enforcement, and lack of inclusive and participatory processes).

The project is part of Indonesia’s forest investment plan supported by the Forest Investment Program (FIP) and will complement other FIP projects administered by the World Bank and International Finance Corporation (IFC) in addressing the drivers of deforestation and forest degradation. The project will invest in community-focused REDD+ activities (e.g., community-based land use planning, community-led forest monitoring and forest fire management, community-assisted forest regeneration and maintenance, and community-based ecotourism) in four forest management units (FMUs) in two districts (Kapuas Hulu and Sintang) of West Kalimantan province. The project will strengthen the capacity of FMUs, districts and
province, provide support to harmonize subnational policies for carbon stock enhancement with national policies, and establish non-monetary incentives and implement monitoring, safeguard systems and equitable and gender-responsive benefit sharing arrangements. By promoting sustainable forest management (SFM), the project will not only reduce GHG emissions and enhance carbon stocks but also provide livelihood co-benefits such as poverty reduction, improved livelihood for forest communities, strengthened land management rights of customary communities (Masyarakat Hukum Adat, MHA) over their adat lands, and enhanced conservation of biodiversity and ecosystem services.

**Forest Investment Promoting Sustainable Community-Based Natural Resource Management and Institutional Development (FIP 2)**

The key entry point for the project implemented by FIP 2 /IBRD are some of the identified subnational barriers to achieving REDD+ through improved forest management at the subnational level (that is, decentralized forest management) – constraints in terms of spatial planning (specifically low levels of participation and lack of integration with sectoral planning processes), governance constraints (specifically weak coordination among key players within the ministry and across ministries, poor management on the ground, low transparency and accountability); and ineffective forest management units.

The project involves three elements – improving the national and subnational legal, regulatory, and institutional context; capacity building for all relevant stakeholders; and learning-by-doing in the FMUs where the project intervening for component 3 and disseminating the lessons and insights.



**FIP FORM 3.3**

**THEME 3.3: SUPPORT RECEIVED FROM OTHER PARTNERS INCLUDING THE PRIVATE SECTOR**

**Level: Investment plan**

1. Please describe how bi- and multilateral development partners supported the interaction of FIP and other REDD+ activities.

Development partners such as Australia, Denmark, Germany, Japan, Norway, and USA have long supported the forestry and climate change efforts of the government and the West Kalimantan province. In May 2010, Indonesia and Norway signed a letter of intent under which Norway pledged to contribute up to $1 billion to support REDD+ efforts. The progress achieved under the agreement is modest, but the agreement triggered new steps toward reducing deforestation, such as increased transparency through more complete and accurate maps, enhanced political space to advance indigenous rights, and increased awareness of REDD+ governance. Indonesia also joined several multilateral REDD+ initiatives such as the Forest Carbon Partnership Facility and the UN-REDD program. The project will collaborate with these initiatives and build on successful experiences, while taking measures to avoid negative outcomes. For example, the project may collaborate with Forest Carbon Partnership Facility in improving the REDD+ Safeguards Information System, and with REDD+ support facility by Denmark and Norway in providing advisory services.

1. Please describe how the (formal and informal) private sector actors have taken up good practices demonstrated through FIP. Please describe challenges encountered in involving the private sector in FIP.

-

1. Please describe how civil society organizations and other stakeholders have been involved in FIP implementation.

**-**

**FIP FORM 3.4**

**THEME 3.4: LINK OF DEDICATED GRANT MECHANISM FOR INDIGENOUS PEOPLES AND LOCAL COMMUNITIES (DGM) TO INVESTMENTS FROM GOVERNMENT’S POINT OF VIEW**

**Level: Investment plan**

Please provide comments on the complementarity of DGM and its contribution to the FIP investment plan. What have been the collaboration and synergies between the FIP focal point office and DGM?

In 2017, DGM Indonesia has established National Steering Committee consisting of 7 persons as region representative, 2 women representative of Customary Communities and Local Communities, 2 non-vote members representatives from Ministry of Environment and Forestry and National Ministry Board (DKN). The NSC has mandated World Bank as the administrative institution of funding and Samdhana Institute as National Executing Agency (NEA) to manage DGM-I 2017-2021.

The collaboration and synergies that can be developed between the FIP focal point office and DGM in tenure and livelihoods of the communities surrounding the forests. The DGM Indonesia has selected 21 proposal from Customary Communities and Local Communities, to be implemented.

**FIP FORM 3.5**

**THEME 3.5: HIGHLIGHTS/SHOWCASES OF PARTICULARLY OUTSTANDING ACHIEVEMENT(S) TO SHARE**

**Level: Investment plan**

1. Please provide examples of particularly outstanding achievements or key successes.

-

1. Please provide examples of outstanding achievements in gender mainstreaming:
* What have been the most important achievements and impacts in terms of gender mainstreaming in FIP investments?

-

* Are there any lessons learned or good practices regarding integration of gender into these investments?

**-**

**FIP FORM 4.1**

**CATEGORY 4: OTHER REPORTING TYPES**

**Level: Investment plan**

Please attach or provide links to photos, videos, events, publications, and/or creative media and platforms, such as blogs, videos, or webinars, illustrating responses to the following questions:

* + - 1. What are the main achievements of the country program coordination and synergies between different FIP investments?

-

* + - 1. What are the main achievements of the ongoing stakeholder participation/involvement?

-

1. How is the investment plan implemented in the context of broader national policies?

-

1. What are the outstanding achievements in terms of knowledge exchange and management?

-

1. Is there any analytical work or public communications (evaluative studies, evidence-based learning, articles, etc.) about your FIP Investment plan to share?

**-**

**SUMMARY OF THE FIP ANNUAL STAKEHODER WORKSHOP**

1. Which stakeholder groups were invited to the annual workshop (organizations and number of people for each)? Please attach the list of participants, including the name of the organizations they represent.

Workshops inter-ministerial dialogue was conducted in 2017 attended by 150 participants from:

* 1. Central ministries/insitutions: Ministry of Environment and Forestry, Ministry of Home Affairs, Bappenas, Ministry of Villages, Disadvantaged Are, and Transmigration, Ministry of Agroculture and Ministry of Finance (Dit PPR),
	2. Subnational government : District Forestry Agency, BPKH, BPHP, Organization Bureau of provincial Government, UPT Ditjen PSKL, and
	3. Funding Agencie : World Bank, DANIDA, USAID Lestari, and CIF

Workshop was implemented in the term of public consultation on 1) Improvement/Review of Long-term Forest Management Plan; and 2) Conflic resolutions.

1. How did you ensure stakeholder participation in the workshop? Which methodologies were used to integrate all stakeholders’ views during the workshop? (For example, did you break down the stakeholders into groups to discuss a topic depending on their expertise? How did you reach a consensus for the reported data?)

The workshop was implemented using panel discussion and focused group diacussions (FGD) with the following process:

* 1. Presentation of relevant topic by resources persons from competence institutions.
	2. The participants were from the relevant institutions/agencies which have been selected as partners and practitioners that related to FIP activities;
	3. Involvement of academic resources in the relevant field to ensure the compliance of the scientific base and provide needed inputs.;
	4. Dialogue process was implemented in some stages: (i) presentation and discussion session, (ii) in-depth discussion in FGD, (iii) the results of FGD then presented in the plenary discussion.
	5. The workshop then formulate conclusions, recommendations and addressed activities (action plan) from the final results presentation, discussions, and dialogues. The workshop results were reported to the Executing Agency for the further process such as further policy review and revision of regulations as needed.
	6. Workshop for public consultation was implemented in the same procedure unless in-depth discussion through FGD.
1. What were the key issues raised during the workshop?

The emerged issues related to FMUs as follows:

a. Empowerment of FMU responsibilities as autonomy and professional institution.

b. PPK BLUD Institution as a financial self-managed institution,

c. Partnership mechanism for FMU management,

d. Policy and regulation for financial support of FMU management,

e. Community empowerment as one key success of FMU management.

1. As most of the projects’ activities are still in the preparation stages and their effective implementation was not started yet - so there aren´t impacts to be evaluated – the forms related to the indicators were not filled. This report describes, mainly the latest progress. [↑](#footnote-ref-1)
2. **Target 1**: Target achieved during the implementation of the investment plan (ending with the financial closure of the last project supported under the investment plan) [↑](#footnote-ref-2)
3. **Target 2:** Projection of the target taking into account the lifetime of the results achieved through the implementation of the investment plan. [↑](#footnote-ref-3)
4. Where possible, countries are encouraged to disaggregate total GHG savings into GHG emissions from reduced deforestation and forest degradation and GHG emissions sequestered (enhancement of carbon stocks, reforestation, afforestation, etc.). [↑](#footnote-ref-4)
5. The calculation of carbon emission will be implemented in 2018 along with the baseline study implementation. [↑](#footnote-ref-5)
6. **Target 1**: Target achieved during the implementation of the investment plan (ending with the financial closure of the last project supported under the investment plan) [↑](#footnote-ref-6)
7. **Target 2:** Projection of the target taking into account the lifetime of the results achieved through the implementation of the investment plan. [↑](#footnote-ref-7)
8. Where possible, countries are encouraged to disaggregate total GHG savings into GHG emissions from reduced deforestation and forest degradation and GHG emissions sequestered (enhancement of carbon stocks, reforestation, afforestation, etc.). [↑](#footnote-ref-8)
9. The calculation of carbon emission will be implemented in 2018 along with the baseline study implementation. [↑](#footnote-ref-9)
10. The Aggregate carbon stock of the 10 selected FMUs covers areas +/- 1.4 million ha. [↑](#footnote-ref-10)