# Concept Environmental and Social Review Summary Concept Stage (ESRS Concept Stage)

Date Prepared/Updated: 02/27/2020 | Report No: ESRSC00562

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ID: Strengthening of Social Forestry in Indonesia (P165742)

## **BASIC INFORMATION**

### A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Indonesia	EAST ASIA AND PACIFIC	P165742	
Project Name	ID: Strengthening of Social Forestry in Indonesia		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Environment, Natural Resources & the Blue Economy	Investment Project Financing	2/20/2020	3/27/2020
Borrower(s)	Implementing Agency(ies)		
Ministry of Finance, Government of Indonesia	Ministry of Environment and Forestry (MOEF)		

Proposed Development Objective(s)

The Project Development Objective (PDO) is to improve access rights to and community management of forest land in select priority areas

Total Project Cost

Amount

109.43

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

## D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social] Project activities will take place in degraded forest lands within areas identified as important for biodiversity conservation in the six selected regencies in Lampung, Sumatra Barat, Jawa Timur, Nusa Tenggara Barat and Maluku.

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These forests face numerous threats and challenges, including land use conflicts; uncertain land and forest ownership; overlapping concessions for mining and other non-forest land uses; the spread of large-scale commercial agricultural estate crops (particularly oil palm); smallholder agricultural expansion; illegal logging and fuel-wood harvesting; improper land and forest management; and widespread bush-meat hunting that is depleting the wildlife in many areas. This project will therefore be situated in a context that poses many environmental and social challenges and risks. However, the project interventions themselves will be designed to be beneficial and sustainable from an environmental and social standpoint, with a focus on targeting excluded groups, training for effective cross cultural communication and appropriate extension services that develop economic opportunities for social forestry groups.

Since the Social Forestry program is national in scope, potential social risk issues may stem from lack of community participation due to limited access to information about relevant policies, procedures and means of participating in project activities. Access to socially and culturally appropriate information and services related to social forestry permitting, natural resource management and livelihoods support options will affect the achievement of the social forestry program objectives. Unclear legal requirements of communities may also disadvantage some groups of indigenous peoples and other forest dwelling peoples. In light of these concerns, boundary demarcations and land claim/ certification related activities need to be planned and carried out in a participatory and inclusive manner, with cultural analysis and sensitivity, to avoid conflicts and to create legitimacy amongst all stakeholders.

## D. 2. Borrower's Institutional Capacity

In general, the Borrower's institutional capacity needs strengthening, both at central, provincial and forest management unit level. The existing Government's Social Forestry Program has been facing challenges in implementation due to the weak capacity of its staff to deliver at the community level, related to accessing information for enterprise development activities, product development, markets of relevant sustainable products and services, and technical assistance to forest-dependent communities. There are also limited institutional capacity and incentives at the national and local government level in implementing the social forestry schemes, which have high targets and therefore strong demands on under-resourced officials. The current implementation of the GOI's Social Forestry Program focuses on capacity support to facilitate the communities' readiness in submitting requests for social forestry permits to use State Forests and on developing and implementing the required management plans. For safeguards, the Directorate General of Social Forestry and Environmental Partnership (Perhutanan Sosial dan Kemitraan Lingkungan/PSKL) in MOEF that manages the Program does not have dedicated staff to ensure and monitor compliance at national PMU and village/district level and similarly in the Forest Management Units as the PIUs.

The project will inject technical assistance at all levels of the system, strengthening social forestry implementation, with an emphasis on the use of social forest areas for sustainable livelihoods of affected communities, to demonstrate its value and create incentive for expanded social forestry within the target areas. An organizational structure with qualified staff for managing environmental and social risks will need to be established. It includes the recruitment of full-time safeguards specialist within PIU. Institutional strengthening is part of project activities' sub-component and will help to close gaps in institutional arrangement and implementation capacity, not only for environmental and social safeguards but also for conflict resolution and grievances redress mechanism. The project will help developing the capacity within government institutions to review, recommend and approve the management plans and then supervise (and, if necessary, control), the plan implementation.

# II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

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# A. Environmental and Social Risk Classification (ESRC)

High

# Environmental Risk Rating Substantial

For projects with Technical Assistance (TA) activities/components, ESS 1 highlights the mandatory requirements that apply to the borrower. The requirements set out in paragraphs 14–18 of ESS1 will be applied to TA activities as relevant and appropriate to the nature of the risks and impacts. The terms of reference, work plans or other documents defining the scope and outputs of TA activities will be drafted so that the advice and other support provided is consistent with ESSs 1–10. Hence, ES risk assessment and management requirements per ESF do apply to the TA activities in this project based on 2019 OESRC Advisory Note on Technical Assistance and the Environmental and Social Framework. Under this project, the scope of TA activities falls into category type 2 (supporting the formulation of policies, programs, plans, strategies or legal frameworks) and type 3 (strengthening borrower capacity). The project will promote transparency through stakeholder participation and public information disclosure in improving the policies, program and planning process. As part of the TA, strengthening of environmental and social aspects will be incorporated in the project design for provision of technical and business development experts to support communities/groups. These technical assistants/facilitators will also need support to ensure they are sufficiently aware of the environmentally sensitive areas, biodiversity impacts, develop specific strategies and targets to avoid or mitigate the impacts in the project areas and enhance the contribution to the government's commitment in climate change and greenhouse gas reduction.

The project is expected to generate overall positive environmental impacts. This would be achieved through sustainable forest management and environmentally compatible agricultural activities that are intended to reduce the ongoing pressures for deforestation and forest degradation. Small scale localized negative impacts may result from the small-scale community activities for the land management (such as mulching, contouring, terracing; species enrichment, and natural regeneration). These activities are not expected to generate any large-scale, significant or irreversible environmental impacts. The project is characterized by low baseline sensitivity because the areas are mostly the degraded lands. However, there is still risk of missed opportunities and inefficiencies in project implementation reducing the expected positive impacts due to weak Borrower capacity. Screening will be carried-out of sub-projects supported for environmental risks and impacts such as increased pesticide use from agricultural activities and pollution potential from small-scale forest and land management activities. Large private sector actors or big corporation will not be involved in small and micro community enterprise development.

The indicative safeguards instruments to be prepared are based on the analysis of potential environmental and social issues in a "Social Forestry Assessment" prepared by government to inform the ESMF. The ESMF includes: draft TOR for the proposed studies or SESA if relevant; IPPF, LARPF and PF, including draft environmental and social code of practices for village/district development planning and sector activities.

Based on the type, location, sensitivity and scale of the project, the nature and magnitude of the potential environmental risks and impacts, the capacity and commitment of the Borrower, the environmental risk classification of the project is Substantial, given the low capacity of the borrower operating inside environmentally sensitive areas including critical natural habitats in a medium spatial context in six districts. The environmental risks would mostly be temporary and reversible and can be mitigated in a predictable manner with intervention of the project design.

Social Risk Rating High

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The project is expected to generate overall positive impacts but entails high risks as it will be implemented in a complex social and regulatory context. Positive impacts include improved land tenure security and livelihoods for marginal communities, including indigenous people and forest dwellers. The project deals with land and natural resource access, aiming to increase security and equity for vulnerable groups, whose access is currently restricted or denied, and whose livelihoods are closely linked to forest resources. These beneficial impacts are to be achieved through land demarcation and user permitting, sustainable forest management planning and compatible agricultural and enterprise development activities, intended to provide sustainable livelihoods whilst reducing the deforestation and forest degradation. Social complexity includes the involvement of vulnerable groups including indigenous people and local communities with limited literacy, poor access to information and services, unique social and cultural structures and norms that may not be well understood or respected by mainstream actors, and a likely historical involvement of private sector in forestry and/or plantation activities that may have involved illegal activities at some sites, and may have created tension or ambiguity over regulations, rights and roles in relation to forest management. Risks of social exclusion, including gender vulnerability, are identified for this project. Screening will be carried-out of sub-projects supported for social risks and impacts such as history or presence of conflict, presence of indigenous peoples, and potential for viable local economic development based on natural resources.

As part of the TA, strengthening of environmental and social aspects will be incorporated in the project design for provision of technical and business development experts to support communities/groups. These technical assistants/facilitators will also need support to ensure they are sufficiently aware of local cultural conditions and norms, and develop specific strategies and targets to ensure participation of indigenous peoples, women and other vulnerable groups present in the project areas.

Based on the 2019 OESRC Advisory Note on Technical Assistance and the Environmental and Social Framework, the TA activities in this project are grouped under type 2 (assisting in formulation of policies, programs, plans, strategies or legal frameworks) and type 3 (strengthening client capacity). As a result, the safeguards instruments prepared are based on the analysis of potential environmental and social issues in a "Social Forestry Assessment" prepared by government to inform the ESMF. The ESMF includes: draft TOR for the proposed studies or SESA if relevant; IPPF if policies, programs or plans will potentially have significant implications for indigenous peoples; and draft LARPF and Process Framework, as an example for site-specific development of plans are needed to address access restriction during implementation.

Based on the type, location, sensitivity and scale of the project, the nature and magnitude of the potential social risks and impacts, the capacity and commitment of the Borrower, the social risk classification of the project is high, taking into account the design of project interventions to be beneficial and sustainable from an environmental and social standpoint, but also the context and potential influence of legacy issues and project activities being located within socially sensitive areas.

## B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

**B.1. General Assessment** 

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

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To screen, assess and manage environment and social risks and impacts in the Strengthening of Social Forestry (SSF) in Indonesia project, an Environmental and Social Assessment (ESA) and an Environmental and Social Management Framework (ESMF) are being prepared. The ESA is intended to be the instrument to analyze the environmental and social impacts from SSF activities, therefore the program could be designed to enhance the potential benefit (promote poverty reduction and biodiversity conservation, contribute to the government's commitment to international conventions such as climate change, etc.), minimize the environmental and social impacts, as well as formulate alternatives and mitigation strategies. The ESA is deemed to be an adequate tool for this purpose as it offers a platform for consultation with a broad range of national and sub-national stakeholders, including potentially affected communities to integrate social and environmental concerns into the upstream policy-making process. The ESA outlined the justification for the selected locations of SSF in 6 (six) regencies in Lampung, Sumatra Barat, Jawa Timur, Nusa Tenggara Barat and Maluku Utara, and the outcomes should reflect strategic relevance of SSF activities for these regencies and recommended measures to mitigate potential adverse impacts and leverage positive benefits that may accrue from the proposed activities. The ESA is the basis to develop the ESMF, which will guide the activities in the SSF project toward compliance with World Bank safeguards policies. The ESMF will provide a framework, detailed procedure and code of practices to be followed by Directorate General of Social Forestry and Environmental Partnership (PSKL) to identify the environmental and social aspects and mitigation measures based on the likely magnitude of potential impacts. The ESMF will also contain provision for effective downstream environmental and social assessment and management process for any future projects resulting from the TA, as needed. The ESMF will include TORs for ESIAs to be undertaken for selected projects. These TORs are the mechanism, in addition to the selected ESIAs that will be prepared for the pilot areas taken forward under the project, for ensuring the Bank's E&S requirements will be met during implementation. The implementation of the TORs and preparation of the E&S instruments that are deemed necessary by the studies will be included as a requirement of the ESCP. In addition, a Stakeholder Engagement Plan (SEP) will be developed to ensure stakeholders inclusiveness in the project and be included in the Environmental and Social Commitment Plan (ESCP). The terms of reference, work plans or other documents defining the scope and outputs of technical assistance activities will be drafted so that the advice and other support provided is consistent with ESSs 1-10. During the Project implementation, another potential risks lie in the capacities of the executing agency (Directorate General of PSKL) in ensuring that E&S assessment are adequate and included as part of the TA implementation. To overcome this, the Project will ensure that (i) PSKL has staff dedicated to the proposed project to include safeguards specialists (ii) TORs have been prepared and well-integrated into the project design (in collaboration with the E&S specialist from PSKL, the World Bank will review the adequacy of these studies and TOR) and (iii) E&S trainings under Component 1.2 and 1.3 will be completed. The ESMF and ESA will be publicly disclosed before project appraisal (in-country at publicly accessible locations and through the Bank's InfoShop). Project implementation will also monitor compliance with the World Bank Safeguard Policies, among other criteria.

# Areas where "Use of Borrower Framework" is being considered:

The project will not undertake a Borrower's E&S framework assessment to replace certain aspects of WB requirements of the ESSs. All WB requirements will be applied as per the relevant ESSs.

## **ESS10 Stakeholder Engagement and Information Disclosure**

The project involves a diversity of stakeholders from national to village level, with more complexity at the subnational level, where government, forest management units, communities including indigenous peoples and private sector actors involved in the supply chain improvements for local agro- or non-timber forest products will need to be

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directly engaged to ensure project objectives are fulfilled. While the categories of stakeholders will be standard across the sites, each location will have a different set of parties to map and engage, to ensure project activities, stakeholder roles, opportunities and means of participation are understood. The mapping of stakeholders, and identification of means for communication, to effectively inform and involve them (by category of activity), a plan for consultation and disclosure, as well as Grievance Mechanism (GM), will need to be documented in a Stakeholder Engagement Plan (SEP), prepared for the Project in parallel with the ESMF. Reporting to stakeholders will be proposed through various mechanisms including newsletters, MoEF website or periodic meetings, to be confirmed with stakeholder input during initial consultations. Regarding complaints or grievances specifically pertaining to the implementation of the project, a mechanism will be established within the implementing arrangements (structure), with dedicated personnel to coordinate receipt, logging, and responses to aggrieved parties, including for reporting of grievances on a six- monthly basis. Analysis of grievances will be undertaken to establish trends and determine any necessary responses or changes on the part of the World Bank, the Ministry of Environment and Forestry (MoEF), or local implementation partners. The project would allocate resources for a grievance and conflict resolution mechanism and also provide support in developing skills and strengthening capacity at all levels in particular via the Social Forestry Task Force and MoEF Conflict Units (KPRK). These units currently operate at the national level and in some regions there is limited or no associated institutional system. Project activities to strengthen complaints handling and resolution of conflicts related to forest classification and uses are built in to Component 1. Through Component 1 activities, capacity for stakeholder engagement as well as grievance handling will be strengthened, whilst through Component 2, direct interaction with project stakeholders through community and village level activities will be guided by the SEP and GM, with particular effort through the FMUs in each project location.

#### **B.2. Specific Risks and Impacts**

A brief description of the potential environmental and social risks and impacts relevant to the Project.

## **ESS2** Labor and Working Conditions

Project preparation and implementation involves the employment of consultants, contracted field facilitators, advisors and also applies to community workers and primary supply workers. The later categories are more difficult to supervise, and project will have activities at the field level, with forest and village-based activities supported to restore degraded lands and improve local livelihoods. Land clearing, planting, and associated physical labor can be anticipated to involve local community members as workers or self-employed land owners. Seasonal workers and potential child labor related to family land and livelihood activities can be anticipated, such that special provisions and clear disclosure of laws and working conditions needs to be made across all project sites. As such, special attention is required to ensure labor requirements are communicated to the site level, and systems are in place to protect the workforce, for example by providing consistent information and a Grievance Mechanism accessible to workers. Labor and Working Conditions standards for all and any persons employed for the Project will follow the standard Ministry of Labor (Manpower) regulations, which ensure local minimum wages, ages and working conditions with details considered compatible with the World Bank ESS 2 on Labor and Working Conditions. Local community beneficiaries will need to be informed that no children below 14 may be involved in project-supported activities, and that health and safety risks need to be understood before project partners can support sub-projects. Labor management procedure (LMP) will be prepared during project preparation to facilitate planning for the project and help identify the resources necessary to address the labor issues associated with the project. Later, it will be documented in the Operations Manual, and a summary will be included in the Stakeholder Engagement Plan (SEP) or

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for employment contracts, as information to be included in disclosure and in briefings to and contracts with parties involved in Component 2 activities related to enterprise development.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

The Project will contribute to the pollution prevention and management by implementing the enhanced forest management in buffer zones of critical protected areas (resulting in the conservation of biodiversity of global significance, mitigating GHG emission), and reducing degradation of lands. The Project will finance activities with prior assessment of the possible impacts and risks on environmental pollution from procuring goods and materials (such as fertilizers or other chemicals), impacts on human health and safety and the possible construction impacts to the environment. In supporting village and district development planning, the PIU and facilitators will be equipped improved capacity to ensure that the downstream environmental impacts of the social forestry business activities will be minimized, the resources will be effectively managed and the pollution will be prevented.

## **ESS4 Community Health and Safety**

The Project will finance a variety of planning, capacity building, with on-the-ground interventions to promote the conservation and sustainable use of Indonesian forests. Field level activities under Component 2, related to land restoration and livelihoods development, will involve manual labor and crop/commodity production, and therefore may carry some health and safety risks. The associated environmental and social screening should be performed to assess the potential impacts and risks on community health and safety from project activities, interactions between contractors and the local beneficiaries and affected communities and possible impacts related to ecosystem services or commodities being developed in restoration/forest areas. The assessment should take into account gender and vulnerability including any disproportionate impacts and risk on certain groups.

## ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Project will finance a variety of capacity building, community-based activities and on-the-ground interventions to promote the conservation and sustainable use of Indonesian forests. It will support the village forest management planning, development and implementation of community investments, and small and micro community enterprise development. Activities include support for mapping and demarcation including zoning of different uses. In this regard, there are potential implications for access to forest areas, changes in livelihood activities including hunting/gathering and food production patterns in the project locations. Whereas conflicts arising over land, tenure between social groups are addressed as social impacts under ESS1, potential issues arising out of land taking between government and others (farmers, IP etc), and/or any project activities requiring land outside of government land/forests, are considered under ESS5. The project will not involve physical or economic displacement of people on a large scale (more than 200 people), nor the compulsory acquisition of land. However in sub-projects, there are potential cases where land acquisition and/or resettlement could happen on a small scale. A Negative List will screen out potential large scale land acquisition or resettlement at the sub-project level but with scope for these on a minor scale, defined as up to a threshold of 2000 square meters land area to be allowed for acquisition for sub-projects outside the forest estate.. Land acquisition outside the forest area may be proposed to support a social forestry enterprise, for example. Relocation of community livelihood activities or infrastructure in the PIAPS area may occur, allowable on a minor scale defined arbitrarily as affected less than 200 people and subject to ESS5 requirements for

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consultation, agreement and impact mitigation. Similarly, restrictions on the use of forest and land resources may be imposed as part of the forest groups' by-laws. If not carefully planned, these access restrictions may lead to loss of livelihoods for beneficiary and non-beneficiary community members alike. In some cases, legacy land tenure conflicts surrounding the licensed state forest areas may exist at the outset of the project activities. Reasons for this may be (i) land tenure issues that have developed after the license has been granted; (ii) affected communities or people were not aware that a license has been granted to a neighbouring community; or (iii) affected people or communities do not have access to—or are not aware about—existing grievance redress mechanisms. These tenure issues may lead to groups or areas being excluded from project support and would need to be addressed at the inception phase of the project. To mitigate these risks, GOI already established sets of guidelines and regulations for the mapping and demarcation process, including incorporating stakeholder input from public consultation process. The ESMF includes screening for project impacts, a negative list to ascertain high risk areas or activities to be avoided, and the early identification of indigenous or other vulnerable groups. Understanding the land uses and livelihood dependence on certain areas is a key part of the project activities, as the objective is to improve the degraded lands and develop sustainable livelihoods for targeted users or owners of the areas. The ESMF and annexed LARPF/PF identifies the need for baseline data, identification of impacted peoples and consultation at each site, to be documented in ESMPs and in site specific Land Acquisition and Resettlement Action Plans (LARAPs, RAPS or Livelihood Restitution Plans) where applicable. The Resettlement Policy Framework and Process Framework will be prepared to address ESS5 requirements.

## ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

No significant impacts on biodiversity and natural resources are expected as the project interventions themselves will be designed to be beneficial and sustainable from an environmental and social standpoint. The project is to generate significant biodiversity conservation benefits through increased forest cover in severely degraded forest areas in buffer zones of and/or provide corridor between protected areas (e.g., dispersal and protection of core areas from encroachment). In addition, by engaging communities in enterprises development initiatives, the project expects to reduce conversion pressure on sensitive habitats. The project will finance a variety of planning, capacity building, and on-the-ground interventions to promote the conservation and sustainable use of Indonesian forests. The project will support sustainable forest management and environmentally compatible agricultural activities that are intended to reduce the ongoing pressures for deforestation and forest degradation. However, as the precautionary approach, the assessment on potential impact to modified, natural, and critical habitats will be mainstreamed into the training and awareness materials, roadmap, plan development and the TORs of TA, as the annex of the ESMF. When selecting the future generation projects, a provision shall be made that the future investment shall not finance a project that will cause significant conversion and degradation to modify, natural and critical habitats as part of the screening process. This screening process will be included in ESMF based on natural habitat mapping and assessment in the project areas with due consideration to potential cumulative impacts. The ESMF to be generated under the TA will contain provisions for biodiversity assessment, management and conservation. In supporting village and district development planning, the PIU and facilitators will be equipped with the capacity to ensure that the downstream impacts of the planning to biodiversity will be avoided.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

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The Project directly affects indigenous peoples in several parts of the country, involving them in forest mapping, demarcation activities, as well as in livelihoods development investments to enable their more secure and sustainable incomes from the natural resources they depend on. Some changes in access or use arrangements are likely to occur as a result of the project activities, for the benefit of the target groups including indigenous peoples. The project is therefore planned with careful reference to the Forest Investment Program (FIP), One Map project (OM) and Direct Grant Mechanism (DGM), which specifically targets indigenous peoples, their resource use and livelihoods, thus providing lessons and guidance for SFF engagement and impact management related to indigenous groups. The ESMF provides screening for impacts including identification of indigenous peoples by project site, as well as contextual information including the presence of relevant institutions, and history of any conflict in the area. The SEP also requires particular information on indigenous peoples and their institutions, who need to be engaged, informed and involved in project activities. An Indigenous Peoples Planning Framework incorporated in the ESMF will also establish a mechanism for free prior and informed consent (FPIC) with affected Indigenous Peoples and other forest dependent communities to promote community participation and meaningful engagement with affected indigenous peoples.

# **ESS8 Cultural Heritage**

Stakeholder engagement activities will determine the relevance of ESS8 for the project, by enquiring and following up on any information about cultural heritage in the selected project areas. The present of tangible cultural heritage may or may not be known in advance, and it is considered likely that non-tangible cultural heritage values - in particular natural features with cultural significance -exist in the forest areas that the project will work in. As such, awareness of cultural heritage is a requirement for those involved in the project, in particular the social forestry facilitators, and procedures for documenting and planning correct action relative to cultural heritage will need to be included in the ESMF and SEP. The requirements of ESS8 may apply to intangible cultural heritage if a physical component of the project will have a material impact on cultural heritage. The Project does not plan to use any cultural heritage for commercial purposes.

**ESS9 Financial Intermediaries** 

Not applicable.

#### **B.3 Other Relevant Project Risks**

None.

#### C. Legal Operational Policies that Apply

# **OP 7.50 Projects on International Waterways**

No

#### **OP 7.60 Projects in Disputed Areas**

No

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#### III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

## A. Is a common approach being considered?

No

#### **Financing Partners**

None

Public Disclosure

## B. Proposed Measures, Actions and Timing (Borrower's commitments)

## Actions to be completed prior to Bank Board Approval:

A framework approach will be applied, with an ESMF to mitigate the risks for the policy and institutional strengthening in Component 1 and community investment to support social forestry activities in Component 2. The project will not finance any large-scale civil works. The project will finance land demarcation activities, support for preparation of local social forest management plans and a variety of capacity building, community-based activities and on-the-ground interventions to promote the conservation and sustainable use of forests. It will support the village forest management planning, development and implementation of community investments, and small and micro community enterprise development. The investments are to empower forest management units, facilitators and forest-based communities to increase the forest area and biomass coverage, enhance land management and/or contribute to biodiversity conservation objectives. Some of the activities could be supporting land management such as mulching, contour, terracing; reducing human wildlife conflicts; training and equipping community groups for guarding, monitoring encroachment, reporting, fire detection and early suppression, fire management and reporting, etc. These activities carry a positive environmental impact.

An Integrated Environmental and Social Management Framework (ESMF) for specific safeguard aspects under each component will be developed by MoEF during project preparation. The ESMF is to include a generic Land Acquisition and Resettlement Process Framework (LARPF) as an example to be developed on a site specific basis if needed, as well as an Indigenous Peoples Planning Framework (IPPF) to guide the development of Indigenous Peoples Plans (IPP) during implementation. A Stakeholder Engagement Plan (SEP) will also be developed. The development of the ESMF will tap into the wealth of previous experiences and literature under this sector in Indonesia. To complement available data, thematic environmental and social assessments may be carried out particularly in selected areas where information is not readily available, particularly to help identify or better understand high-risk locations.

## Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

Environmental and Social Management Plans (ESMP) for each project site; Indigenous Peoples Plan (IPP) for sites where indigenous peoples are present and affected; Land Acquisition and Resettlement Action Plans (LARAP) to be developed for sites if or as needed. Labor Management Procedures, Operations Manual, (Dates for preparation of each would need to be agreed upon and some could be prior to Appraisal). It would be also important to provide for approximate cost of producing all of these documents as part of project design.

## C. Timing

Tentative target date for preparing the Appraisal Stage ESRS

28-Feb-2020

## **IV. CONTACT POINTS**

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**World Bank** 

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**Borrower/Client/Recipient** 

Borrower: Ministry of Finance, Government of Indonesia

Implementing Agency(ies)

Implementing Agency: Ministry of Environment and Forestry (MOEF)

## V. FOR MORE INFORMATION CONTACT

The World Bank 1818 H Street, NW Washington, D.C. 20433 Telephone: (202) 473-1000

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#### **VI. APPROVAL**

Task Team Leader(s): Dinesh Aryal

Practice Manager (ENR/Social) Susan S. Shen Recommended on 25-Feb-2020 at 19:07:2 EST

Safeguards Advisor ESSA Peter Leonard (SAESSA) Cleared on 27-Feb-2020 at 10:30:53 EST

**Public Disclosure** 

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