

# Indonesia Strengthening Social Forestry Project

## Stakeholder Engagement Plan (SEP)

### INTRODUCTION

This document presents an overarching Stakeholder Engagement Plan for the Indonesia Strengthening of Social Forestry Project, prepared by the Ministry of Environment and Forestry with the World Bank, for support by the Global Environment Fund. It is a living document, to be updated and developed further during project implementation. This Stakeholder Engagement Plan (SEP) responds to World Bank requirements under ESS10 of engaging effectively with individuals, groups, communities and other stakeholders who might be directly or indirectly affected by activities to be taken up as part of the Indonesia Strengthening of Social Forestry Project (SSF Project) throughout the project cycle. However, the engagement activities commenced prior to the SEP development, namely since the preparation phase. Engagement shall continue through to final project evaluation stage, as detailed in the Community Participation Framework, Annex 8 of the Environmental and Social Management Framework (ESMF).

Stakeholders here are not only the government officials, and not only members of society or non-government organization. Stakeholder(s) is defined as "... a person or a group of people who is/are affected by a project, and those who have possibility to own an interest in a project and/or a capability to influence the result, either positively or negatively. Stakeholders can include community or individual affected by the local impact and their formal and informal representatives, national or local government authorities, politicians, religious leaders, organizations and civil society groups with special interest, academic communities, or other businesses." (IFC, 2017)

Therefore, it is important to identify the stakeholders and then conduct an analysis of stakeholders, influence level, and power relations. With a structured stakeholder engagement plan, there can be a two-way interaction between the project implementation parties and the identified stakeholder groups that indirectly affect and/or are being affected by the project. The stakeholders shall be given an opportunity to convey their opinions through many ways and ensure that this information is considered while making decision in the project implementation.

This Stakeholder Engagement Plan (SEP) responds to World Bank requirements under ESS10 and applies for stakeholder engagement in the Indonesia Strengthening of Social Forestry Project (SSF Project) throughout the project cycle. However, the engagement activities commenced prior to the SEP development, namely since the preparation phase. Engagement shall continue through

to final project evaluation stage, as detailed in the Community Participation Framework, Annex 8 of the Environmental and Social Management Framework (ESMF).

## **PROJECT DESCRIPTION**

The SSF Project objective is to improve access to forest land use rights and community management in selected priority areas allocated for social forestry. The objective would be achieved by providing technical assistance to communities, the GOI, and non-government and community organizations serving as facilitators of social forestry, formalizing land use rights, and supporting activities to restore priority degraded forest lands and improve livelihoods, while generating valuable knowledge and lessons to contribute to the SFP.

The GEF-supported SSF project targets a location of 300,000 ha scattered across various regions in Indonesia. The project will be implemented within forest estate areas that have been through a regulated<sup>1</sup> screening process to determine their eligibility as social forestry areas, in areas under known Forest Management Unit (FMU or KPH) jurisdictional responsibility. After going through a discussion and consultation process based on GoI considerations for accelerating achievement of social forestry policy objective and targets, as well as on criteria to meet GEF biodiversity requirements and WB safeguard policy guidance, it was decided that the SSF project will be implemented in South Lampung District, Lampung Province; Lima Puluh Kota District, West Sumatera Province; Bima District and City, West Nusa Tenggara Province; Dompu District, West Nusa Tenggara Province; and West Halmahera District, North Maluku Province.

The project beneficiaries in the proposed locations consist of direct beneficiaries and indirect beneficiaries. Total indirect beneficiaries are estimated at 60,000 people, while direct beneficiaries are estimated at around 133,688 people.

The Social Forestry Program provides an opportunity for the GOI to engage communities and smallholder farmers in its agrarian reform program and in biodiversity conservation efforts. By providing use rights to severely degraded forest land to communities, the Program helps reduce the drivers of biodiversity loss by: (i) supporting sustainable community-based forest management to increase forest cover, which in turn provides biodiversity dispersal or corridor benefits; and (ii) promoting forest-based micro and small enterprise development to improve livelihoods of forest dependent communities, thereby reducing conversion pressure on intact forest habitats. Examples of micro and small enterprise development support for social forestry enterprise groups with permits in forest areas include: plantation and processing of timber and NTFP, micro-hydropower, eco-tourism, including necessary extension and technical assistance for market analysis, quality control, packaging etc, as relevant and on a site-by-site basis.

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<sup>1</sup> Regulation P12/PSKL/SET/PSL.0/11/2016 regarding Guideline for Verification of Permit Applications for Social Forestry Businesses (IUPHKm).

To achieve the project objectives, project components are established and consistent with Indonesia's Sustainable Landscape Program and One Map Policy. The project components consist of the following:

### **Component 1. Policy and Institutional Strengthening to Support Social Forestry**

This component aims to create an enabling environment for the success of the development and strengthening of social forestry in Indonesia, and to create opportunities for increasing the scale of activities in the future. There are 3 (three) sub-components under Component 1.

#### **Sub-component 1.1 Policies and Regulations**

This sub-component aims to support the MoEF Social Forestry Program in developing and harmonizing relevant policies, regulations and procedures which accelerate and facilitate the implementation of the Social Forestry Program. Its main activities include:

- (i) Supporting village and district development planning process and relevant policies and guidelines;
- (ii) Strengthening the policy framework for sustainable funding (e.g. fiscal decentralization, microfinance); and
- (iii) Strengthening policy framework for community-based enterprises.

#### **Sub-component 1.2 Institutional Strengthening**

This sub-component aims to develop institutional capacities at various levels of government that are appropriate for promoting Social Forestry Program activities consistent with the proposed project objectives. This will enable sustainable management of forest resources by users while providing income-generating opportunities. Its main activities include:

- (i) Additional support for the operationalization of the Social Forestry Task Force;
- (ii) Additional support for grievance redress and conflict resolution mechanisms;
- (iii) Supporting the formation of village institutions, farmer groups, and customary institutions;
- (iv) Strengthening the institutional framework to accelerate the issuance of land use rights for village institutions, farmer groups and customary institutions; and
- (v) Strengthening existing technical support (e.g. community facilitators) for forest-dependent communities; as well as knowledge management and technical assistance.

#### **Sub-component 1.3 Knowledge Management and Technical Assistance**

This sub-component is expected to generate learning from social forestry in Indonesia and draw lessons from other countries' experience to contribute to the achievement of project objectives and for the Social Forestry Program. The sub-component is also expected to assess and address capacity requirements at the government and community levels for the implementation of an effective Social Forestry Program, including by supporting the creation of social forestry networks and strengthening community-based micro and small enterprises. Its main activities are supporting knowledge management and technical assistance.

## **Component 2: Social Forestry development and strengthening**

This component aims to support the implementation of an effective and efficient Social Forestry Program. Targets will be achieved through the following three sub-components:

### **Sub-component 2.1 Management Plan**

This sub-component functions to facilitate and provide the community with technical assistance in formulating a sustainable forest management plan. Its main activities include:

- (i) Supporting the mechanism for transferring land use rights to the community;
- (ii) Mapping and installing boundary stake and land zoning for various uses;
- (iii) Developing village forest management plan and management of farmer groups; and
- (iv) Implementation of the above-developed management plan.

### **Sub-component 2.2 Development and Implementation of Community Investment**

The proposed project will support the development and/or strengthening of small and micro enterprises in the community in accordance with the management plan described above. The main activity in this sub-component is to develop and run a number of priority investments according to the management plan.

### **Sub-component 2.3 Development of Community-based Small-Micro Enterprises**

This sub-component will promote community access to business financing schemes. The main activity is the development of community-based micro-enterprises. The proposed sub-component will support community/farmer groups in implementing the management plan developed above; develop and encourage investment in economic activities as priority livelihoods according to the management plan prepared with project support in sub-component 2.1 through community grants.

### **Component 3: Project Management and Monitoring and Evaluation**

This component aims to ensure effective and efficient implementation of project activities to achieve project objectives. Its main activities cover the following:

- (i) Project management (e.g. fiduciary management, safeguards, etc.); and
- (ii) Monitoring and Evaluation.

### **STAKEHOLDER IDENTIFICATION AND ENGAGEMENT APPROACH**

The level of stakeholder engagement is informed-- by—

- Types of information and consultation needed for stakeholders to understand and response to project risks, impacts and opportunities;
- Whether certain activities require special consent or permissions, FPIC (free, prior informed consent) for example;
- Whether vulnerable and marginal groups are identified who require special assistance: particular types of information and opportunities to participate;

The key components in the stakeholder engagement approach can be categorized into 8 (eight) steps outlined and addressed in this plan.

#### ***Identification and Analysis of Stakeholders***

It is a process to identify and prioritize the main Project stakeholders including understanding their attention, focus and interests. Stakeholders may be categorized as: affected parties, other interested parties, disadvantaged / vulnerable groups in the project area.

In the design process, SSF project team identified the main stakeholders in general and analyzed them (as presented on the ESMF). The list of stakeholders identified in the process of SSF project preparation is presented as an Annex 1 to this SEP.

This identification process will be developed in every project location, to form a stakeholder register or database for each site. Identification of the stakeholders will be conducted through an interview technique with informants in either national level, district level, or village level. Informants consist of people engaged in the issues of social forestry, such as those who work in the government institutions (national level, provincial level, and district level), people who join a working group of social forestry acceleration both in the national level and local level, or people engaged in a village.

With the help of the ESMF Specialist, every Forest Management Unit (KPH) will collaborate with the farmer/community groups to develop the necessary data collection and analysis of local stakeholders in each location.

In identifying the stakeholders, the following aspects should be taken into account:

- **Process Ownership:** because the success of SSF project implementation on the field depends on an active support and engagement from the stakeholders. The process ownership is important because the stakeholders can see and feel that all social forestry contribute to the poverty reduction and to the biodiversity conservation in every area. Thus, in long term, this ownership will positively influence their engagement and the strategy of the project sustainability can be assured.
- **Reducing Complexity in the Project Implementation:** one of main objectives to have clear and identified stakeholders are to minimize complexity in the process of SSF project implementation. Social stratification and social group diversity of the stakeholders in terms of gender, economy, social strata, ethnicity, caste, power, age, religion/spiritual, etc. of course will influence their interests one another. Inclusiveness ensures that those who were historically continuously harmed, marginalized, and “invisible” will become the opposite ones. Their voice shall be involved for the sake of a fair process. It is important for a long term in order to contribute to the sustainable development goals (SDGs) in every project location.

An overview of stakeholders identified for this Project is provided below, and the actual details of those identified is presented in the Table as Annex 1 of this SEP. As noted in the SEP introduction, this document is a living or growing document that will be updated over time.

- **Indigenous Peoples and Local Communities (IPLCs)**

IPLCs are stakeholders who are highly dependent on forest resources. To IPLCs, forests are not only a provider of agricultural land but also a hunting ground and place to find staple needs such as water, timber, firewood, medicinal plants and various types of food. In fact, in some communities, forests also serve cultural and religious functions. Within the IPLCs as a category, various interest groups can be found, among others:

- **Forest farmers:** a community group that uses forest land to grow crops. In the past, farmers used the forest land to grow crops in a variety of ways, but nowadays many forest lands are used for the cultivation of commercial crops e.g. oil palm, coffee, rubber, etc.
- **Harvesters, collectors or pickers of non-timber forest products** such as honey, rattan, jelutung, and so on.
- **Community groups that use water and water energy.**
- **Women’s’ groups** (the project will ensure a minimum women’s’ participation of 30%).

- Other vulnerable groups.

These people may form or be part of the groups formed as the Social Forestry Business Group (DFBG or 'KUPS') to run businesses in the field of social forestry. The Project ESMF and IPPF (Indigenous Peoples Planning Framework) provides more detail on the IP identified at each project location. Strategies to engage each of these groups will vary depending on local characteristics, needs and preferences, but options are set out in the engagement techniques table in this SEP.

- **Village Government**

A village is the lowest level of government administration in the Republic of Indonesia. Based on Law No. 6 of 2014, the village has the authority to regulate and manage government affairs, interests of the local community based on community initiatives, and origin rights or customary rights. A village, in this instance, a village government under Law No. 6 of 2016, has the task to carry out village development, and village community development and empowerment. One of the main challenges in village community development and empowerment are the increased disparity in agrarian resources control and environmental degradation in the countryside. Social Forestry is one of the answers to the problems occurring in the village. Therefore, the Village Government is one of the key actors involved in the Social Forestry Program.

With the granted authority in managing Village Funds by mandate of the Village Law, the Village Government is expected to contribute to institutional strengthening and Social Forestry funding, including incorporating forestry management activities into the Village Medium-Term Development Plan. Likewise, the Village Government can encourage village-owned enterprises to become partners in marketing the village products.

- **Regional Government**

The Forestry Ministerial Regulation No. 83 of 2016 concerning Social Forestry states that the Central Government and Regional Government (Provincial and the District) have the task of facilitating the holders of Social Forestry permit. The facilitation includes assistance in the application phase, institutional strengthening, capacity building including business management, cooperative establishment, working area boundary setting, preparation of a village forest management plan, a business and annual work plan, design of forestry partnership activities, financing, post-harvest, business development, processing technology, business training, market access, and even promotion through various events. In addition, the Provincial Government can concretely contribute to initiating Regional Regulations on Recognition of Indigenous Peoples, or at District Government level, through the District Head Decree on Recognition of Indigenous Peoples.

These contributions are in line with the role of the District Government stipulated in Law No. 23 of 2014 concerning Regional Government. It states that in the field of community and village empowerment, the District/City Government is authorized to establish village governance (*penataan desa*); facilitation for collaboration between villages in the same district; and coaching and supervision for village government administration. The same thing is also stipulated in the Village Law, that the District/City Government is obliged to provide guidance and supervision over the implementation of the village governance. This includes facilitating, fostering, and supervising the village governance;

and making efforts to accelerate rural area or village development through financial support, coaching, and technical assistance.

In the context of implementing village governance, Social Forestry is clearly a part of village development which aims to improve the welfare and wellbeing of rural communities and reduce poverty through meeting basic needs, building village facilities and infrastructure, developing local economic potentials, and utilizing the natural and environmental resources in a sustainable manner.

- **Central Government**

The Central Government, in this case, the MoEF has a significant role in social forestry by issuing licenses and legalization, document and on-site verifications, and so on. Despite the challenges, MoEF had played its part and without its active role, the social forestry process would be stagnant.

- **Forest Management Unit (FMU)**

Forest Management Unit (FMU) is a site-level institution with the aim of ensuring certainty and realization of economically, socially, ecologically sustainable forest management. As the site-level institution, FMU is the executor of operational and/or technical activities supporting the local agencies in the field of forest management within the designated FMU working area. FMU has functions including implementing forest management activities in its working area, starting from planning, organizing, implementing as well as monitoring and controlling; investment development, cooperation, and partnerships in forest management; implementation of counselling and community empowerment in the field of forestry.

The roles of FMU in Social Forestry are vital and must constantly be improved. The roles include identifying site-level forest land tenure, community groups that will be actors in the Social Forestry program, land to be allocated for Social Forestry, and facilitating community institutional strengthening.

- **Working Group on Social Forestry (SF-WG)**

Similar to FMU, the Working Group on Social Forestry was established to help accelerate social forestry in various regions in Indonesia. This Working Group consists of elements from the Regional Government, Non-Governmental Organizations (NGOs), Universities and parties related to social forestry.

The Working Group on Social Forestry has the duty to disseminate, facilitate and assist the target community up to the site-level, to perform sustainable forest management and utilization as well as business development, and to assist the government in verifying requests for access.

In addition, the Working Group on Social Forestry also functions as a forum for collaborative learning about social forestry by developing field schools and assisting the government in monitoring and evaluating the implementation of the social forestry program.

- **Financial Institutions**



One of the issues in agricultural business and social forestry is the unavailability of financial capital. To manage this issue, the government should have been more serious in encouraging financial institutions (banks) to support farmers holding Social Forestry licenses by taking into account the ethical principles of Social Forestry as the financing requirements. The government must give the awareness to encourage funding schemes that benefit and empower the license holders. Any capital loan and investment practices which are potentially detrimental to the license holders should be avoided.

- **NGOs and Universities (Facilitators)**

NGOs and universities have been playing an important role in encouraging Social Forestry implementation. Besides advocating Social Forestry policies, NGOs are also actively working in the field. Perhaps more than 90% of the existing Social Forestry working area is the result of NGOs' coaching. In Social Forestry, NGOs' roles include coaching and strengthening of community institutions, identifying and mapping of Social Forestry locations, mentoring social forestry management, and so forth. The involvement of NGOs in Social Forestry has also been institutionalized in the Working Group on Social Forestry Acceleration.

- **Private Sector**

The private sector can serve as off-taker, making it easier for the industry in procuring raw materials. The private sector is expected to absorb the output or products generated by the Social Forestry, such as timber and non timber forest products (fruits and nuts, vegetables, fish and game, medicinal plants, resins, essences and a range of barks and fibres such as bamboo, rattans, etc.). It means the private sector has a big role in accelerating Social Forestry.

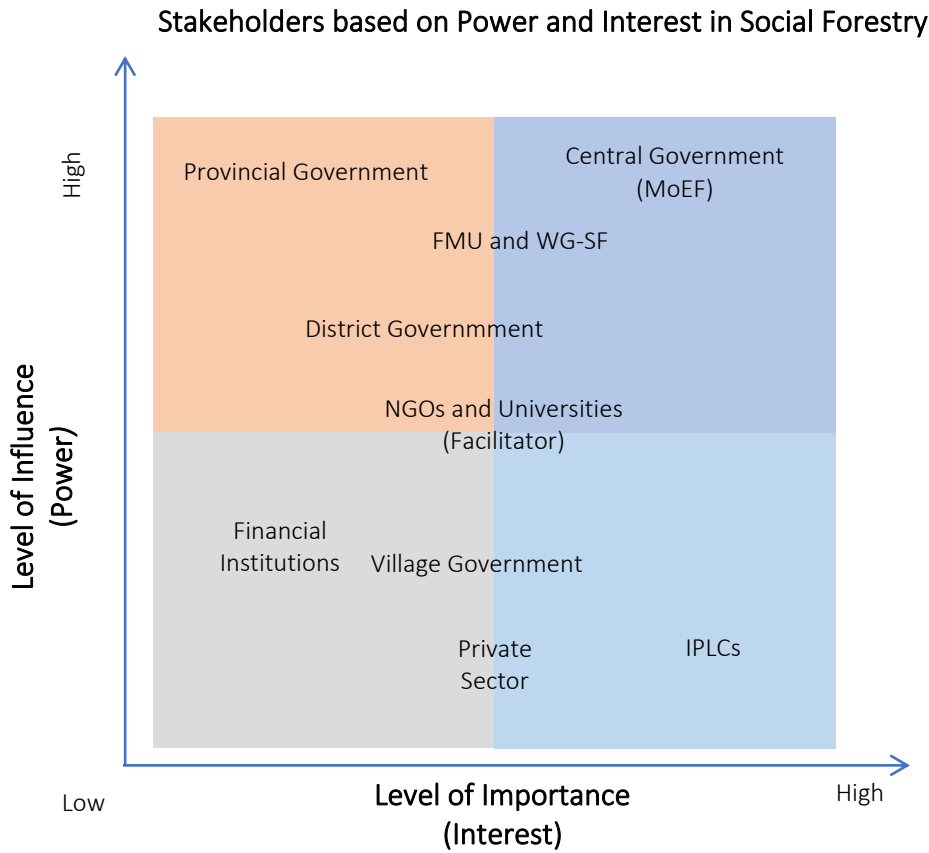
### *Stakeholder Analysis*

In relation to vulnerable groups especially, it is important to understand project impacts and whether they may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project.

Through the ESMF development, as well as project design process, FGDs were held with indigenous people and local communities to scope out the potential impacts and necessary mitigations. Further work to identify and engage vulnerable stakeholders on a site by site basis is required during Project implementation. For Indigenous stakeholders who may be impacted, the IPPF and subsequent IPPs will document their identities, issues and any special needs and agreements reached, prior to any project activities taking place on the ground, aligned with requirements for Free Prior and Informed Consent (FPIC). More information about the FPIC Guideline is presented in ESMF Annex 10, and the Public Consultation Administration Guideline is discussed in ESMF Annex 11.

Stakeholder analysis for this Project considered the vulnerable groups in particular and shows that IPLCs have the highest vested interest, but the lowest power. Meanwhile, stakeholders with the highest power are the Central and Provincial Governments, but their interest is not too high. In fact, the Provincial

Government has always shown low interest in the Social Forestry program. More information on stakeholder analysis by level of power and interest in Social Forestry can be seen in Figure 3. The purpose of this analysis and knowledge is to carefully create a strategy to engage all parties so that in the future they can achieve the main objectives of the social forestry program. As part of this SEP, defining stakeholders' identities and interests at the project site level will be an important next step, to properly define engagement plans in each location.



## INFORMATION DISCLOSURE

It is essential to communicate the objectives and results expected from this SSF project to the primary stakeholders in the initial stages of the project. So far, the FGD process and public consultations involve stakeholders during the PDD drafting for the SSF Project, as set out by group, topic and timeframe in the ESMF.

In future project implementation, PMU must make proper and reliable documentation, also provide access to public information both related to the SSF project implementation and ESMF implementation. The ESMF document (both in Indonesian and English) must be uploaded on the website of World Bank, Ministry of Environment and Forestry, and the SSF Project. In addition to website-based information disclosure, ESMP document is supposed to be displayed in places that are accessible for all society who might be affected.

A free information package about the SSF Project must be ready in the first month of the project to support communication and outreach strategy, and its implementation. This process will continue throughout the entire project implementation cycle. By strict supervision of the ESMF Specialist, the NPMU is expected to prepare all the materials needed to ensure effective stakeholder engagement.

## CONSULTATION WITH STAKEHOLDERS

Conducting a series of inclusive consultation processes with participatory approaches will ensure that all stakeholders are informed of key aspects of project design and implementation. There are many methods for consultation and a record of important engagements should be kept by each PIU, as outlined below. Records for FPIC purposes and community level agreements should be consistent with examples provided in the ESMF annexes.

Principles to guide effective and meaningful consultation processes are also suggested below as the basis of interactions with the relevant stakeholders. The principles are followed by a table describing some engagement techniques to be used during SSF Project implementation, depending on the group, objective and context.

- **Commitment**, commitment is intended when there is any needs to understand, involve, and identify the community recognized and followed up in the initial process;
- **Integrity**, integrity occurs when engagement is conducted through growing the sense of respect and trust one another.
- **Respect**, Respect arises when the stakeholders' and the surrounding people's rights, trust, culture, values, and interests are recognized;

- **Transparency**, it is shown when people's concerns are responded on time, openly, and effectively;
- **Inclusiveness**, it is attained when a wide participation is promoted and supported by a proper participation opportunity; and
- **Trust**, it is attained through an open and meaningful dialog which respects and upholds belief, values, and opinions in the community.

### **Engagement Techniques for SSF Stakeholders**

<b>Involvement Techniques</b>	<b>Application and Approach</b>	<b>Stakeholder</b>	<b>Time frame</b>
Information Board (Fact Sheets)	Create an information board containing fact sheets related to Stakeholder Engagement in the Strengthening Social Forestry (SSF) project either in the Forest Management Unit (FMU), in the Province Level Office, or in every secretariats of farmer group/Social Forestry Business Groups (KUPS)	<ul style="list-style-type: none"> <li>• FMU</li> <li>• Village Government</li> <li>• SF Group (KUPS)</li> <li>• IPLC / public</li> </ul>	Project Implementation Phase (commencing in Year 1 and ongoing)
Regular correspondence (via phone/WA/text message/email/others)	Build a communication platform such as WAG (WhatsApp Group) Personal communication via either phone, text message, WA, email, or other communication devices.	<ul style="list-style-type: none"> <li>• FMU</li> <li>• SF Group (KUPS)</li> <li>• SF -WG</li> </ul>	Project Implementation Phase (commencing in Year 1 and ongoing)
Participative Public Consultation	<p>Provide relevant information related to Strengthening Social Forestry (SSF) to public from the village, district up to national level</p> <p>Facilitation for building trust among the stakeholders.</p> <p>Design and facilitate a consultation process in a participative manner according to Guidelines of Organizing a Public Consultation</p> <p>Give an opportunity to the stakeholder group to give their views and opinions.</p> <p>Distribute non-technical project information to each community and other communities.</p> <p>Facilitate a meeting of village level by using poster, film, pamphlet, or other project information documents.</p> <p>Record the discussion, comments/questions or responses conveyed</p>	<ul style="list-style-type: none"> <li>• FMU</li> <li>• Village Government</li> <li>• SF Group (KUPS)</li> <li>• IPLC / public</li> </ul>	<p>Project Planning Phase, for design and ESMF development</p> <p>Project Implementation Phase</p> <p>Project Completion Phase</p>
Formal meeting	<p>Present information of SSF project to the stakeholders equally.</p> <p>Build trust and mutual respect among the stakeholders.</p> <p>Give an opportunity to the stakeholder group to give their views and opinions.</p> <p>Build an impersonal relation to all stakeholders in all levels.</p> <p>Distribute technical documents to the relevant groups.</p> <p>Facilitate a meeting by utilizing an attractive instrument.</p> <p>Record the discussion, comments/questions or responses</p>	<ul style="list-style-type: none"> <li>• Regional government</li> <li>• FMU</li> <li>• Village Government</li> <li>• SF Group (KUPS)</li> <li>• IPLC / public</li> </ul>	<p>Project Implementation Phase</p> <p>Project Completion Phase</p>

	conveyed		
Workshop	<p>Present information of SSF project to the stakeholders</p> <p>Facilitation for building trust among the stakeholders</p> <p>Avoid a long and boring “lecture” session</p> <p>Give an opportunity to the stakeholder group to give their views and opinions.</p> <p>Use the participative method (including interactive game) to facilitate a group discussion, to share opinions on many problems, to analyze information, and to develop a recommendation and strategy</p> <p>Record the discussion, comments/questions or responses conveyed</p>	<ul style="list-style-type: none"> <li>• Regional government</li> <li>• FMU</li> <li>• Village Government</li> <li>• SF Group (KUPS)</li> <li>• IPLC</li> </ul>	<p>Project Implementation Phase</p> <p>Project Completion Phase</p>
Focus Group Discussion (FGD)	<p>Facilitate a smaller group consisting of 8 – 15 people to give their views and opinions on targeted thing.</p> <p>Design and facilitate a process in a participative manner</p> <p>Facilitation for building trust among the stakeholders</p> <p>Use key questions as guidelines for facilitating FGD</p> <p>Record the discussion, comments/questions or responses conveyed</p>	<ul style="list-style-type: none"> <li>• FMU</li> <li>• Village Government</li> <li>• SF Group (KUPS)</li> <li>• IPLC</li> </ul>	<p>Project Planning Phase, for design and ESMF development</p> <p>Project Implementation Phase</p> <p>Project Completion Phase</p>
Interview (one by one)	<p>Collect views and opinions</p> <p>Facilitate the stakeholders to talk freely but confidentially about controversial and sensitive problems.</p> <p>Build a personal relation to the stakeholders</p> <p>Build trust through an attractive conversation</p> <p>Recording the interview</p>	All / any stakeholder type	<p>Project Planning Phase, for design and ESMF development</p> <p>Project Implementation Phase</p> <p>Project Completion Phase</p>
Field Survey	<p>Collect opinions and views from each stakeholder</p> <p>Collect the primary data or the secondary data</p> <p>Record the data</p> <p>Develop a basic database to monitor the impact</p>	All / any stakeholder type	Project Implementation Phase

## **COMPLAINT MANAGEMENT AND GRIEVANCE HANDLING**

Establishing an accessible and responsive mechanism to deal with problems and complaints is a vital part of this SEP, aligned with the Project ESMF which also includes a Grievance Redress Mechanism (GRM). More information is presented in the ESMF Report and Annex 16 and Annex 17. A suggested complaints record form is also provided as Annex 2 of this SEP.

In dealing with complicated problems and personal challenge potential, and institutional challenges, a mutual strategy about the best way to solve the situation should be consented. Negotiations will take place and depend on the level of agreed engagement required for all stakeholders involved. Specifically, negotiations related to the issue of establishing and affirming village boundaries mentioned are often the major problems in social forestry process, presented in ESMF Annex 13.

## **STAKEHOLDER INVOLVEMENT IN PROJECT MONITORING**

Involving affected stakeholders throughout the project cycle, especially in the monitoring and evaluation process will increase the level of trust and ownership, which has the potential to produce better environmental, social and economic outcomes. The PIU will determine which local stakeholders are to be invited to support monitoring activities, to provide representation and also strategic benefit to the stakeholders, who will provide input but also gain insight as to the broader program issues and lessons on social forestry program implementation.

## **MANAGEMENT, DOCUMENTATION AND REPORTING TO STAKEHOLDERS**

PMU and PIU are to develop a mechanism for managing the stakeholder involvement process, including by documenting the engagement process, recording any commitments, tracking and progress reporting, particularly regarding achievements, and challenges to the main stakeholders and in general, at each level of engagement. This process of high-quality involvement also requires high-quality management approach, and quality interaction in interpersonal relationships. Establishing an excellent interpersonal relationship is the key. Since the critical point of engagement is building relationships, it means that involvement is a daily process engaging each individual in the project to collectively make efforts to create excellent and sincere relationships with all stakeholders at all levels, so that we can achieve interpersonal understanding, mutual trust and respect.

After the involvement in the project monitoring process, the results must be published to a broader audience to guarantee accountability and transparency. PMU and World Bank specialists will be available to support the PIU with guidance in these functions.

## **INSTITUTIONAL ARRANGEMENTS AND FINANCING FOR THE IMPLEMENTATION OF THE SEP**

The institutional arrangement for the SEP will follow the project's overall implementation arrangements to ensure that stakeholder engagement is fully mainstreamed into the project implementation. The institutional arrangements for the SEP implementation are therefore also consistent with those for the Project's Environmental and Social Management Framework (ESMF). As per the agreement between the Government and the World Bank and according to the prevailing legislation, the funding to be used to execute this project is a decentralization fund. Therefore, according to the existing institutional roles and functions, Directorate General of Social Forestry and Environmental Partnership (PSKL) is the Executing Agency.

The institutional elements of the project organization are:

1. National Steering Committee (NSC) is led by the Directorate General of Social Forestry and Environmental Partnership (PSKL).<sup>[SEP]</sup> The NSC members are the echelon 2 officials in charge of the Forests and Social Forestry i.e. Ministry of Environment and Forestry (MoEF), National Development Planning Agency (Bappenas), Ministry of Home Affairs (MoHA), Ministry of Village, Development of Disadvantaged Regions and Transmigration (MoV), Coordinating Ministry for Economic Affairs (CMEA), Ministry of Agriculture (MoA), Ministry of Finance (MoF), Ministry of State Owned Enterprises (MoSOE), Ministry of Cooperatives (MoC), Micro, Small and Medium Enterprises (MSME), Ministry of Trade (MoT), Creative Economy Agency (BEKRAF), Ministry of Agrarian Affairs and Spatial Planning (MoAASP), Ministry of Tourism, 2 (two) members of Social Forestry Acceleration Team (locally TP2PS)
2. Project Management Unit (PMU) or Executing Agency (EA) led by the Director of Social Forestry Area Preparation (PKPS) as the Proxy Budget User (KPA) of the SSF Project;
3. Project Implementation Unit (PIU) at the Management Unit/Forest Management Unit (KPH) as the Commitment Making Officer (PPK) of SSF Project
4. Project Management Office (PMO) is the professional administrative consultant
5. Provincial Forestry Agency as mandated in Law No. 23 concerning Decentralization.
6. Working Group of Social Forestry Acceleration
7. Project Management Consultant to SSF Project (PMC) is a professional institution commissioned by the PMU (or the World Bank) to provide services or technical assistance for PMU and PIU. PMC consists of several consultants in their corresponding expertise (Team Coordinator; Policies and Institutional Specialist; Capacity Building Specialist; Business Development Specialist; Safeguard Specialist; Monitoring Specialist; Communication Specialist; Evaluation and Outreach; Procurement Specialist; and Financial Specialist).



The Project Implementation Unit (PIU), in this case the Forest Management Unit (FMU) established in the project working area, serves as the site-level executor. In relation to safeguarding, they have to consider negative list as a list of activities that cannot be supported by SSF project. Environmental and social management framework at site level must be implemented with supervision from the PIU safeguard specialists. This includes ensuring the SEP is followed, with stakeholders identified, analyzed, engaged, monitored and grievances handled appropriately.

PMU is responsible for ensuring that the SEP is budgeted for and implemented, including the development of the IPPs for sites and specific sub-projects. PMU takes the role of disseminating information regarding screening, use of the negative list of activities that cannot be funded by the SSF Project to on-site implementers and all relevant parties, and preparation of the ESMFs, including with appropriate consultation of stakeholders including indigenous peoples, meeting FPIC requirements. PMU also puts emphasis on the importance of stronger environmental and social management by ensuring adequate staffing and budget allocations. PMU will plan and finance the conduct of capacity building activities related to the SEP as part of its ESMF capacity building, and will allocate funds for the necessary stakeholder engagement activities with all relevant parties, as set out in the Project Implementation Manual (PIM) and its capacity building plan. PMU supervises the PIU in the implementation of all commitments in this IPPF and reports aggregate impact of the project to all relevant parties.

#### **Responsibility of Each Party for SEP**

Phases	EA/PMU	PIU
Activities Planning	<p>Dissemination of information to PIU and all relevant parties regarding safeguard, its policies, and the negative list of SSF project.</p> <p>Capacity building related to IPPF (as part of ESMF)</p>	<p>Identification of social and environmental issues and the mitigation as well as making Environmental and Social Management Plans and related instruments (RAP or IPP if required).</p> <p>Documentation of consultation with stakeholders including specific processes for indigenous peoples.</p> <p>Committed to implement ESMF, including preparing relevant plans based on ESMF annexes (Indigenous Peoples Plan, etc.)</p>
Implementation	<p>Disclose relevant information to the public</p> <p>Monitor the implementation of IPPF, through the</p>	<p>Implement, monitor, and report Environmental and Social Management Plan and IPPs.</p>

	<p>Environmental and Social Management Plan at the site level</p> <p>Redress grievance at the national level</p>	<p>Documentation of consultation with stakeholders including specific processes for indigenous peoples.</p> <p>Redress grievance at site level</p>
Post-implementation	<p>Monitor, evaluate, and report aggregate impact of the project</p>	<p>Monitor project impact at site level, including how GRM is implemented and implementation of ESMF, Framework/Process Framework, Indigenous Peoples Planning Framework, Stakeholders Engagement Plan, etc.</p>

## Annex 1. Details of Stakeholders Identified

### List of Indicative Stakeholders Based on PDD SSF Document Preparation Process

No	Position	Institution/ Organisation
1.	Assistant of Minister/ GEF Focal Point	KLHK
2.	Director General	DG of PSKL
3.	Director of PKPS	DG of PSKL
4.	Director of KPHL	DG of PDASHL
5.	Head of Sub-directorate of Pattern and Mapping, Direktorat PKPS	DG of PSKL
6.	Head of Sub-directorate of PHD, PKPS Directorate	DG of PSKL
7.	Head of Sub-directorate of PHTR, PKPS Directorate	DG of PSKL
8.	Head of KPHP Sub-directorate	DG of PHPL
9.	Head of PHD Sub-directorate, PKPS Directorate	DG of PSKL
10.	Head of Environment Partnership Dit.	DG of PSKL
11.	Researcher	Badang Litbang & Inovasi KLHK
12.	Staff of PSKL DG Secr.	PSKL DG Secr.
13.	Staff of PSKL DG Secr.	PSKL DG Secr.
14.	Staff of PSKL DG Secr.	PSKL DG Sect.
15.	Staff of PSKL DG Secr.	PSKL DG Sect.
16.	Staff of PKPS Dit.	DG of PSKL
17.	Staff of PKPS Dit.	DG of PSKL
18.	Staff of PKPS Dit.	DG of PSKL
19.	Staff of PKPS Dit.	DG of PSKL
20.	Staff of PKPS Dit.	DG of PSKL
21.	Staff of PKPS Dit.	DG of PSKL
22.	Staff of PKPS Dit.	DG of PSKL
23.	Staff of PKPS Dit.	DG of PSKL
24.	Staff of PKTHA Dit.	DG of PSKL
25.	Staff of PKTHA Dit.	DG of PSKL
26.	Staff of BUPSHA Dit.	DG of PSKL
27.	Staff of BUPSHA Dit.	DG of PSKL
28.	Staff of KPHP Dit.	DG of PHPL
29.	Staff of Environment Partnership	DG of PSKL
30.	Staff of Environment Partnership	DG of PSKL
31.	Staff of PKPS Dit.	DG of PSKL
32.	Kasi, PIKA Dit.	DG of KSDAE
33.	Staff of PIKA Dit.	DG of KSDAE
34.	Staff of KTA Dit.	DG of PDASHL
35.	Staff of KPHL Dit.	DG of PDASHL
36.	Staff of KPHL Dit.	DG of PDASHL
37.	Councelling Center	BP2SDM
38.	Staff of Councelling Ctr	BP2SDM
39.	Head of Community Training on Forestry Subdit.	BP2SDM
40.	Senior Researcher	P3SEKPI
41.	Principal Researcher	P3SEKPI
42.	Head of Funding Center of Forest Development (BLU Pusat P2H)	KLHK Secretary General
43.	Head of Planning & Dev.	
44.	Director of Forestry & Water Conservation	Bappenas
45.	Staff of Dit. Kehutanan dan Konservasi SDA	Bappenas
46.	Staff of Forestry & Natural Conservation Dit.	Bappenas

47.	Kasubdit, SME Development Dit.	Bappenas
48.	Head of Budget Preparation Dit.	DG of Budget, Min of Finance
49.	Head of Budget Preparation Dit.	DG of Budget, Min of Finance
50.	Staff of Budget Preparation Dit.	DG of Budget, Min of Finance
51.	Head of Subdirectorate	DG of PPMD
52.	Chairperson, Planning Dept.	DG of PKP
53.	Head of PEKP Dit.	DG of PKP
54.	Staff, Planning Dept.	DG of PKP
55.	Office chairperson	Forestry Office of Prov Lampung
56.	Staff	BAPPEDA Prov Lampung
57.	UPTD Chairperson of Environment Lab of DLH	Dinas LH Kab Lampung Selatan
58.	Office Secretary of Environment	Dinas LH Kab Lampung Selatan
59.	Chairperson	KPH Gunung Rajabasa
60.	Chairperson	KPH Gedong Wani
61.	Leader	Pokja PPS Lampung
62.	Chairperson	Forestry Office of Prov Sumbar
63.	Staff	BAPPEDA Prov Sumbar
64.	Staff	Bapelitbang Kab 50 Koto
65.	Chairperson	KPHL Lima Puluh Koto
66.	Chairperson	KPH Agam Raya
67.	Chairperson	KPH Bukit Barisan
68.	Secretary	Pokja PPS Sumbar
69.	Chairperson of People Empowerment Dept.	BAPPEDA Provinsi Jawa Timur
70.	Dept Head of Social Forestry	Perum Perhutani
71.	Program Leader of Social Forestry	Perum Perhutani
72.	Administrator	Perum Perhutani KPH Jatirogo
73.	Deputy ADM	KPH Tuban
74.	Pokja PPS Jatim	Yayasan Hidayaturrohman Tuban
75.	Focal Point	Pokja Pegentasan Kemiskinan /YPAAI
76.	Pokja PPS Jatim	YPAAI
77.	Chairperson of LMDH	LMDH Wono Suntoso
78.	Leader	LMDH Jenggolamanik Tuban
79.	Leader	LMDH Tuban
80.	Head of Empowerment and Counselling Dept.	Dinas LHK Provindi NTB
81.	Chairperson	BAPPEDA Kab Bima
82.	Chairperson of Economy Dept.	BAPPEDA Kab Dompu
83.	Secretary	Cooperatives Dept. Provinsi NTB
84.	Chairperson	BPSKL Wilayah Jawa Bali Nusa Tenggara
85.	Chairperson	BPSKL Wilayah Jawa Bali Nusa Tenggara
86.	Staff of THA	BPSKL Wilayah Jawa Bali Nusa Tenggara
87.	Staff of THA	BPSKL Wilayah Jawa Bali Nusa Tenggara
88.	Head of Tenure and Customary Forest/THA	BPSKL Wilayah Jawa Bali Nusa Tenggara

89.	Chairperson	BKPH Tofo Pajo Modapangga Rompu
90.	Chairperson	BKPH Tambora
91.	Chairperson	KPH Maria Donggomassa
92.	Chairperson	KPH Tambora
93.	Chairperson KPH	KPHP Ampang Ribo Suronandi
94.	Chairperson Seksi	KPH Ampang Riwo Soromandi
95.	SBS Program Manager	WWF Indonesia
96.	Program Coordinator	LP2DER BIMA
97.	Leader	Gapoktan Dompu
98.	Leader	Kelompok HKM NTB
99.	Leader	Gapoktan HKM
100.	Secretary	Forestry Office of Provinsi Maluku
101.	Station Chairperson	BPSKL Maluku dan Papua
102.	Chairperson of Area Preparation and Social Forestry Business	BPSKL Wil. Maluku Papua
103.	Head of KPH	KPH Halmahera Barat
104.	Chairperson of Forest Protection, KSDAE & People Empowerment	KPH Halmahera Barat Sasadu Bidadari
105.	Group Leader	HKM Ds. Gamsungi
106.	Chief of Village	LPHD Desa Ulo
107.		TP2PS
108.		TP2PS
109.		TP2PS
110.		TP2PS
111.		TP2PS
112.		WRI Indonesia
113.		Rainforest Alliance
114.		RECOFTC
115.		RECOFT
116.		RECOFT
117.		AMAN
118.		BRWA
119.		CIFOR
120.		AWG-SF
121.		FKKM
122.		KFW
123.		F3
124.		PT Hatfield Indonesia
125.		The Asia Foundation
126.		KEHATI
127.		MFP4-KEHATI
128.		Lestari- USAID
129.		LTKL
130.	Professor	Fahatan IPB
131.	Dean	Fahatan IPB

Source: Attendance List of FGD on November 8, 2018; FGD on January 7-8, 2019; and Public Consultation, February 18, 2019

## Annex 2. Complaints Record Form

COMPLAINTS / QUESTIONS RECORD FORM (Form A)				
Instructions: This form must be completed by staff who receive questions or complaints and are stored in the project file. Please attach relevant supporting documentation/letters.				
Date of Complaint:			Name of Staff:	
Complaints Received by (please tick (v) the appropriate box):				
<input type="checkbox"/> National <input type="checkbox"/> City <input type="checkbox"/> Municipality <input type="checkbox"/> Village				
Complaint made via (please tick (v) the appropriate box):				
<input type="checkbox"/> In person <input type="checkbox"/> Phone <input type="checkbox"/> E-mail <input type="checkbox"/> SMS <input type="checkbox"/> Website				
<input type="checkbox"/> Complaint Box / Other advice <input type="checkbox"/> Community Meeting <input type="checkbox"/> General Consultation				
<input type="checkbox"/> Others _____				
Name of Complainant: (information is optional and confidential)				
Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female				
Address or contact information of complainant: (information is optional and confidential)				
Location of complaints/problems occurred [please write]				
National:	City:	Province:	Village:	
A Brief Explanation of Complaints or Questions: (please write as detail as possible)				

	Category 1	Social Issues
	Category 2	Environmental Issues
	Category 3	Complaints related to violations of policies, guidelines, and procedures
	Category 4	Complaints related to breach of contract
	Category 5	Complaints regarding misuse of funds/lack of transparency, or other financial management problems

	Category 6	Complaints related to abuse of power/intervention by the project or government
	Category 7	Complaints regarding staff performance
	Category 8	Force majeure report
	Category 9	Complaints about Project intervention
	Category 10	Others

Handle and follow up required by:

Progress in resolving complaints (e.g. answered, resolved):