

**MINISTRY OF PUBLIC WORKS AND HOUSING  
REGIONAL INFRASTRUCTURE DEVELOPMENT AGENCY  
INDONESIA TOURISM DEVELOPMENT PROGRAM**

**ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK  
FINAL**

**January 19, 2018**

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## LIST OF ACRONYMS

AMDAL	<i>Analisis Mengenai Dampak Lingkungan</i> (Environmental Impact Assessment)
APBN	<i>Anggaran Pendapatan dan Belanja Negara</i> (State Revenue and Expenditure Budget)
APBDI	<i>Anggaran Pendapatan dan Belanja Daerah Tingkat I</i> (Provincial Revenue and Expenditure Budget)
APBDII	<i>Anggaran Pendapatan dan Belanja Daerah Tingkat II (Kota dan Kabupaten</i> Revenue and Expenditure Budget)
BAPPENAS	<i>Badan Perencanaan Pembangunan Nasional</i> (National Development Planning Agency)
BAPPEDA	<i>Badan Perencanaan Pembangunan Daerah</i> (Development Planning Agency at Subnational Level)
BKPM	<i>Badan Koordinasi Penanaman Modal</i> (Indonesia Investment Coordinating Board)
BPN	<i>Badan Pertahanan Nasional</i> (National Land Agency)
CBT	competency based training
CMEA	Coordinating Ministry of Economic Affairs
DED	Detailed engineering design
DDP	Detailed Development Plan
EA	Environmental Assessment
ECOP	Environmental Code of Practice
EEP	Eligible Expenditures Program
ESA	Environmental and Social Assessment
EHS Guidelines	World Bank Group Environmental, Health and Safety Guidelines
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESSA	Environmental and Social Systems Assessment
FPIC	Free, prior and informed consultation
FS	Feasibility study
GDP	Gross Domestic Product
GoI	Government of Indonesia
GRM	Grievance Redress Mechanism
HHTL	<i>Horwath Hotel, Tourism and Leisure</i>
ICT	Information and communications technology
IP	Indigenous Peoples
IPF	Investment Project Financing
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Planning Framework
ISDS	Integrated Safeguard Data Sheet
ITMP	Integrated Tourism Master Plan
LARAP	Land Acquisition and Resettlement Action Plan
LARPF	Land Acquisition and Resettlement Policy Framework
LAT	Land Appraisal Team

LAC	Land Acquisition Committee
MAPPI	<i>Masyarakat Profesi Penilai Indonesia</i> (Indonesian Society of Appraisers)
M&E	Monitoring and evaluation
MOEF	Ministry of Environment and Forestry
MPWH	Ministry of Public Works and Housing
NGO	Non-governmental organization
PDO	Proposed development objective
OP	Operational Policy
PforR	Program-for-Results
PCR	Physical Cultural Resources
PMS	Program Management Support
PPE	Personal protective equipment
RIDA	Regional Infrastructure Development Agency ( <i>Badan Pengembangan Infrastruktur Wilayah, BPIW</i> )
RPJMN	<i>Rencana Pembangunan Jangka Menengah Nasional</i> (Medium-Term Development Plan)
RKL	<i>Rencana Pengelolaan Lingkungan</i> (Environment Management Plan)
RPL	<i>Rencana Pemantauan Lingkungan</i> (Environment Monitoring Plan)
SA	Social Assessment
SME	Small and medium-sized enterprise
SOP	Standard operating procedure
SPPL	Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup (Statement Letter for Environmental Management and Monitoring)
STO	Sustainable tourism observatory
SKPD	<i>Satuan Kerja Pemerintah Daerah</i> (Regional Working Unit)
TA	Technical assistance
TOR	Terms of reference
TVET	Technical and vocational education and training
UKL-UPL	<i>Upaya Pengelolaan Lingkungan Hidup- Upaya Pemantauan Lingkungan Hidup</i> (Environmental Management Plan-Environmental Monitoring Plan)
WBWS	willing-buyer-willing seller

## EXECUTIVE SUMMARY

### *Description of the Project*

The Government of Indonesia (GoI) has decided to transform Indonesia's economy using tourism as one of the main growth drivers. The government, in its National Medium-Term Development Plan (*Rencana Pembangunan Jangka Menengah Nasional*, RPJMN) 2015-2019, has set several objectives to increase the role of tourism in the Indonesian economy. In 2017, the GoI's overall program for developing tourism, the Indonesia Tourism Development Priority Program (*Program Prioritas Nasional Pembangunan Parawisata Indonesia*, PPNPPI) aimed to shift towards a more comprehensive and inclusive approach to tourism development. The government objectives are to increase foreign and domestic visitors and related foreign exchange earnings, employment, contribution to GDP as well as tourism competitiveness. The PPNPPI includes six program areas: (i) international marketing and promotion; (ii) destination development; (iii) human resource and institutional development; (iv) international openness and access; (v) local economy linkages; (vi) safety and security and health and hygiene. The GoI is refining and augmenting its tourism development program. The World Bank has been requested to support part of the government program, in a Project focusing on three of the GoI's priority tourism destinations: Lombok in West Nusa Tenggara province, Borobudur-Yogyakarta-Prambanan in Central Java province and the Special Region of Yogyakarta, and Lake Toba in North Sumatra province.

The Project Development Objective (PDO) of the Tourism Development Program (the 'Project') is to improve tourism-relevant road quality and basic services accessibility, strengthen local economy linkages to tourism, and promote private investment in three tourism destinations in Indonesia. The Project has four components that together will enable the achievement of the PDO:

- Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations.
- Component 2: Promote local participation in the tourism economy.
- Component 3: Enhance the enabling environment for private investment and business entry in tourism.
- Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development.

The Regional Infrastructure Development Agency (RIDA) of the Ministry of Public Works and Housing (MPWH) will be the Executing Agency for the Project. RIDA will be guided by a Steering Committee and a Technical Committee. The Steering Committee is composed of Echelon 1 officers from each involved ministry or agency. It is proposed to be co-chaired by the Deputy Infrastructure of the Ministry of National Development Planning (*Badan Perencanaan Pembangunan Nasional*, BAPPENAS) and the Deputy Destination Development and Tourism Industry of the Ministry of Tourism. The Head of RIDA will be secretary of the Steering Committee. The Technical Committee consists of Echelon II officials of each involved ministry or agency. It is proposed to be co-chaired by the Director of Industry, Tourism and Creative Economy in BAPPENAS and the Deputy Assistant Infrastructure Development and Impacts of Tourism in the Ministry of Tourism. Head Strategic Area Development Center, RIDA, will be secretary. The day-to-day responsibility for the Environmental and Social Management Framework (ESMF) implementation, and for the environmental and social safeguard performance of the Project, is under RIDA. RIDA is the focal point for all matters relating to environment and social safeguards during the implementation of the Project.

## Overview of the ESMF

This document presents the ESMF for the Project. It is meant to provide guidance to RIDA (or *Badan Pengembangan Infrastruktur Wilayah, BPIW*) for the incorporation of the requirements of the World Bank safeguards policies and Indonesian environmental and social laws and regulations in the activities that are proposed to be financed under the Project. It also provides guidance for training and other capacity-building activities to strengthen Project implementing units/agencies at the central and destination level.

The application of the ESMF varies by component and type of activity. Applicable to all components are: a description of the environmental, cultural and social characteristics of the three priority tourism destinations; a summary of the potential positive and negative impacts of the four project components, and typical mitigation measures for them; a summary of relevant World Bank Operational Policies (OPs) and Indonesian legislation and regulations, accompanied by a gap analysis; institutional arrangements for implementing the ESMF and recommendations for necessary capacity building; a grievance redress mechanism; requirements for disclosure and stakeholder consultation; and a procedure for monitoring, evaluating, and reporting on ESMF implementation and effectiveness.

For Component 1, the ESMF includes:

- A screening procedure for determining the appropriate environmental and social safeguards instrument for any proposed investment, based on scale and risk, and in accordance with World Bank safeguards policies and Indonesian environmental and social laws and regulations;
- Guidance for preparation of instruments, in the form of procedures, frameworks, and annexes containing formats and templates;
- Guidance for implementation of safeguards instruments; and
- Arrangements for monitoring and enforcing implementation.

For Component 2, the ESMF describes opportunities to enhance environmental and social outcomes of tourism development through inclusion of environmental awareness in programs to upgrade the skills of job-seekers (technical and vocational education and training, TVET), tourism workers/professionals (upskilling) and their trainers/teachers as well as business owners of tourism firms. It also identified opportunities to enhance social outcomes through ensuring sufficient IPs will be included in community satisfaction surveys, so that their satisfaction can be monitored as well. The training can include relevant aspects of World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines), including the industry sector guidelines for tourism and hospitality development.<sup>1</sup> For Component 3, the ESMF describes the need for awareness raising amongst investors on relevant aspects of EHS Guidelines, including industry sector guidelines for tourism and hospitality development. While experience in Indonesia shows that significant licensing simplification opportunities are possible by reducing/making more efficient the administrative processing (e.g. parallel processing, online submission), without the removal of any of the requirements that safeguard environmental and social risks, there is the risk that streamlining processes for establishing tourism-related industries could lead to reduced attention to impact assessment and management and possibly creating short-cuts in the permitting processes. For the activities under Component 4 (excluding the planning documents discussed below), the ESMF recognizes the contribution of the Project in strengthening environmental monitoring.

For the planning documents under Component 4 a different approach is required. Its direct impacts are limited, but the plans that will be produced under it will include recommendations for developments that could have significant adverse impacts. Some of those developments will be implemented within the Project and will thus be subject to the safeguards requirements

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<sup>1</sup> [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines).



for Component 1 described above. Others may be implemented in the future and/or with funds external to the Project. Safeguards arrangements for Component 4 must address both sets of circumstances.

- In the case of Integrated Tourism Master Plans (ITMPs), the ESMF provides for 'upstream' incorporation of the requirements of the World Bank's OPs into the planning process, so that they are considered in selection of sites for various types of investments. For example, in the identification of 'no-go zones' based on sensitivity of natural or cultural features; and in the consultations with all stakeholders, including indigenous peoples (IPs)<sup>2</sup> and vulnerable groups.
- In the case of sectoral plans financed by the Project, the ESMF requires that outputs include a preliminary assessment of environmental and social impacts based on the World Bank safeguards policies and applicable Indonesian laws and regulations.

The terms of references (TORs) for the ITMPs and sectoral master plans and other studies include the requirements specified in this ESMF. Selected TORs under Component 1 for feasibility studies (FSs) and detailed engineering designs (DEDs), all TORs for ITMPs, selected TORs for other plans, and the TOR for the Program Management Support (PMS) Consultant under Component 4 should be discussed with and approved by the Bank.

### Potential Environmental and Social Impacts of the Project

Potential environmental impacts	Possible mitigation measures and environmental assessment (EA) Instruments
<b>Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations – physical works</b>	
<p><b>Positive:</b> This component focuses on addressing existing basic services gaps for the population of the key tourism areas and reversing environmental degradation.</p> <p><b>Negative:</b></p> <p>a) Risks common to most construction activities, e.g., roads, walkways, information centers, pipelines, water and wastewater treatment works:</p> <ul style="list-style-type: none"> <li>• Loss of vegetation and topsoil from land clearing</li> <li>• Soil erosion and stream sedimentation</li> <li>• Dust</li> <li>• Noise and air emissions from heavy equipment</li> <li>• Improper disposal of construction waste</li> <li>• Spills of fuel and lubricants</li> <li>• Damage to other infrastructure or physical cultural resources</li> <li>• Visual intrusion of infrastructure into natural and cultural landscapes</li> </ul> <p>b) Additional risks from construction and operation of water supply weirs and stream channel stabilization</p> <ul style="list-style-type: none"> <li>• Water quality and aquatic habitat degradation caused mainly by suspended solids</li> <li>• Obstruction of fish movements upstream and downstream</li> <li>• Impacts on downstream water uses and users</li> </ul> <p>c) Risks from operation of public toilets</p> <ul style="list-style-type: none"> <li>• Groundwater pollution from septic tanks because of location on unsuitable soils, malfunction, or poor maintenance</li> <li>• Odors and health hazards caused by inadequate housekeeping</li> </ul> <p>d) Additional risks from construction or expansion/upgrading and operation of waste water treatment plants</p>	<p>These risks can be mitigated by: a) environmental analysis of alternatives in FSs; b) preparation of good Environmental and Social Management Plans (ESMPs);<sup>3</sup> c) implementation of those ESMPs through inclusion of mitigation measures in DEDs and construction contracts incorporating EHS Guidelines; and d) providing Environmental Code of Practice (ECOP) or Standard Operation Procedures (SOPs) for other activities for which screening indicates that RKL and UKL are not required.</p>

<sup>2</sup> Indigenous Peoples (IPs), or *Masyarakat Adat* (Customary Communities) or *Masyarakat Hukum Adat* (Customary Law Communities) or "*Masyarakat Tradisional*" (or Traditional Communities), are three terms used interchangeably for IPs in Indonesia. IPs is used as the term to encompass all.

<sup>3</sup> Such as *Upaya Pengelolaan Lingkungan* (UKL, Environmental Management Plan) and *Rencana Pengelolaan Lingkungan* (RKL, Environmental Management Plan), which both also cover social issues.

<ul style="list-style-type: none"> <li>• Eutrophication from nutrients in effluent</li> <li>• Mortality of aquatic organisms caused by low dissolved oxygen, or toxic substances introduced into the collection system</li> <li>• Odors caused by plant upsets</li> </ul> <p>e) Additional risks from operation of water treatment systems</p> <ul style="list-style-type: none"> <li>• Improper disposal of sludge and backwash water</li> <li>• Exposure of workers and community members to water treatment chemicals during delivery and use</li> </ul> <p>f) Additional risks from construction and operation of solid waste collection and disposal facilities</p> <ul style="list-style-type: none"> <li>• Groundwater contamination by leachate because of location on unsuitable soils or ineffective lining and leachate collection</li> <li>• Surface water pollution from contaminated runoff or uncollected or inadequately treated leachate</li> <li>• Smoke and fire</li> <li>• Vermin and disease vectors</li> </ul> <p>g) Conversion of productive agricultural land to non-agricultural use</p> <p>h) Workplace and health and safety risks</p> <ul style="list-style-type: none"> <li>• Injuries and falls from not using proper personal protective equipment (PPE) protection while carrying out construction activities.</li> <li>• Risk to surrounding communities for not providing enough barricades or hazards signage to inform the boundary project area risks during on-going construction activities.</li> <li>• Improper disposal of construction wastes and waste from worker's camp as some contractors do not provide proper portable toilets and good housekeeping practices.</li> </ul>	<p>During implementation, mitigation measures can be better monitored through supervision and enforcement by EHS supervision personnel, including attention to provision and use of PPE and use of signage and barricades at locations of hazards.</p>
<b>Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations – DEDs and FSs</b>	
<p><b>Positive:</b> The studies provided opportunities to improve environmental outcomes of investments provided.</p> <p><b>Negative:</b> The studies themselves will not have direct negative impacts.</p>	<p>TORs for FSs will require analysis of alternatives, where appropriate, and comparison of alternatives on environmental grounds. DEDs will incorporate design-related mitigation measures from UKL, RKL, ECOPs or SOP and will be consistent with EHS Guidelines.</p>
<b>Component 2: Promote local participation in the tourism economy</b>	
<p><b>Positive:</b> Opportunity to enhance impact management in tourism sector.</p> <p><b>Negative:</b> Population increase will impact on the additional land needs and potentially cause environmental damage.</p>	<p>Environmental awareness to be included in relevant training, including relevant aspects of EHS Guidelines, including the industry sector guidelines for tourism and hospitality development. Local capacity to monitor and manage social and environmental impacts including those of induced development will be enhanced under Component 4.</p>
<b>Component 3: Enhance the enabling environment for private investment and business entry in tourism</b>	
<p><b>Positive:</b> The component can provide an opportunity to strengthen the consideration given to EHS matters, particularly workplace health and safety and waste management.</p> <p><b>Negative:</b> Simplification of the business licensing process, including for environmental permits, could be misinterpreted as providing short-cuts that impede adequate review prior to approval, with the result that insufficient attention would be paid to EHS issues when new businesses are established.</p>	<p>Use relevant aspects of EHS Guidelines in formulating guidance to business license applicants and reviewers/approvers.</p>
<b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development - environmental and social monitoring</b>	
<p><b>Positive:</b> The Project will be measuring the periodic Sustainable Tourism Observatory (STO), or equivalent, monitoring reports published based on pre-agreed geographic scope of tourism development areas and list of key</p>	<p>No mitigation needed.</p>

<p>'sustainable tourism' indicators.</p> <p><b>Negative:</b> None anticipated.</p>	
<p><b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development – Integrated Tourism Master Plans (ITMPs)</b></p>	
<p><b>Positive:</b> The ITMPs are developed to avoid one of the negative impacts of unintegrated tourism development, which is that increased tourism can degrade the environmental, cultural and social resources on which tourism depends if necessary preventative infrastructure and management arrangements are not put in place. ITMPs will provide assessment by pre-screening potential activities and associated impacts that would be well identified in the planning process. ITMPs will help to inform all stakeholders and provide a vehicle for consultation to obtain stakeholder concerns and aspirations. They will minimize uncertainty and lack of transparency. The ITMP will also identify the priority programs needed to strengthen tourism activities at the local level and provide detailed recommendations for the preparation and revision of local and provincial spatial plans and sectoral master plans (if necessary). The in-depth analysis and stakeholder engagement in the ITMP will incorporate a bottom-up approach that was lacking in previous spatial analysis conducted in the priority tourism destinations. The ITMP is thus conceived as a coordination platform for the development of the tourism destination and as the instrument that will pave the way for effective and sustainable tourism development.</p> <p><b>Negative:</b> The ITMPs may not be implemented at the desired standard, which would limit their effectiveness as guides for sustainable tourism development. Facilities constructed upon the recommendation of the ITMPs may have indirect or induced adverse impacts or cumulative impacts either not foreseen, not effectively managed, or both. Unplanned development induced by the provision of tourism facilities is a common example; it can create traffic congestion, generate effluents or solid waste that are not properly managed, and affect visual amenity. Other examples of potential adverse impacts include: depletion of sensitive natural resources upon which tourism often depends; poor maintenance of the facilities after completion of construction, lack of operating budget and capable human resources to manage the facilities and monitor and manage their environmental and social impacts.</p>	<p>World Bank safeguards policies and EHS Guidelines are incorporated in the ITMP terms of reference. ITMPs will include:</p> <ul style="list-style-type: none"> <li>• Recommendations for capacity-building to enhance plan implementation</li> <li>• Articulation of environmental, social, socio-economic, and cultural heritage opportunities and constraints;</li> <li>• Preparation of growth projections and development scenarios;</li> <li>• Detailing of the preferred development scenario;</li> <li>• Formulation of the integrated tourism master plan; and</li> <li>• Ensure active stakeholder engagement.</li> </ul>
<p><b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development – Downstream sectoral plans</b></p>	
<p><b>Positive:</b> By minimizing the risk of poor planning, the financing of downstream sectoral master plans helps to integrate international standards for sustainability in tourism development. This also provides the necessary risk assessment on the potential environmental and social constraints and benefits and helps to advise the government on the latest techniques and methods for sustainable development, such as improved building materials or ways to incorporate climate resilience in infrastructure, especially in sensitive and vulnerable tourism destinations.</p> <p><b>Negative:</b> The sectoral master plans may not be implemented at the desired standard, which would limit their effectiveness. Facilities constructed upon the recommendation of the sectoral master plans may have indirect or induced adverse impacts or cumulative impacts either not foreseen, not effectively managed, or both. Unplanned development induced by the provision of facilities is a common example; it can create traffic congestion, generate effluents or solid waste that are not properly managed, and affect visual amenity. Other examples of potential adverse impacts include: depletion of natural resources upon which tourism often depends; poor maintenance of the facilities after completion of construction, lack of operating budget and capable human resources to manage the facilities and monitor and manage their environmental and social impacts.</p> <p>In some regions, the capacity of the preparers of <i>Analisis Mengenai Dampak Lingkungan</i> (AMDAL, Environmental Impact Assessment) and <i>Upaya Pengelolaan Lingkungan Hidup- Upaya Pemantauan Lingkungan Hidup</i> (UKL-UPL, Environmental Management Plan-Environmental Monitoring Plan) may be inadequate, as may that of reviewers and enforcement officers in the local government environment agencies, to</p>	<p>Capacity building and joint training program for the institutions responsible.</p>

ensure that all necessary mitigation actions are included in the environmental management plans and are properly implemented by the contractors.	
<b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development – Program Management Support</b>	
<b>Positive:</b> The PMS Consultant will provide better solutions and incorporate better efficiency in delivering the necessary key deliverables for the Program. It also will improve the risk assessment and mitigation measures for investments supported by the Program. It will eventually increase the quality and quantity of the deliverables for sustainable tourism development through central-local government coordination and public-private coordination	No mitigation needed.
<b>Negative:</b> None anticipated	

Potential social impacts	Possible mitigation measures and social safeguards instruments
<b>Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations – physical works</b>	
<p><b>Positive:</b></p> <p>a. Local communities and visitors will have improved quality of roads and improved access to public transport facilities, parks, basic services and infrastructure that will lead to better health conditions, reduced expenditures for transport, better living conditions and environmental quality, increased convenience, increased economic and social productivity;</p> <p>b. Increased attractiveness of tourist destinations may lead to an expansion in tourism-related activities in the area, which could socially and economically benefit the local community (including IPs) and the local government.</p> <p><b>Negative:</b></p> <p>a. Temporary disturbance during construction: health impacts of dust, disruption of local economic and social activities, limited access to particular areas, temporary limited access to basic services (for instance disruption of the existing water supply availability to households during the expansion of the water supply pipes);</p> <p>b. Land acquisition for the expansion and/or newly built infrastructure and facilities and/or for the access road to the newly built infrastructure and facilities;</p> <p>c. Improved access to IPs' natural and cultural resources may lead to the unsustainable commercialization of these assets without benefitting the IPs and may degrade their quality and ultimately could lose the attractiveness for tourism;</p> <p>d. Conversion of agricultural land to non-agricultural land which may lead to unemployment for the farmers and labor farmers, which could increase social conflict;</p> <p>e. Induced impacts such as the mushrooming of informal settlements and small businesses in the surrounding of the tourist cluster destination due to the increased attractiveness of the area with better infrastructure and basic services.</p>	<ul style="list-style-type: none"> <li>• The subproject proponents should include social impact assessment in the Environmental and Social Impact Assessment (ESIA) or UKL-UPL; and develop a social management plan in the ESMP or in the UKL-UPL to address the identified potential adverse social impacts.</li> <li>• Mitigation measures to address potential adverse social impacts during construction should be included in the bidding document and contracts for physical works, so that the costs for the mitigation measures will be part of the overall contract amount.</li> <li>• For land acquisition issues, land could be obtained by the subproject proponents either through willing-buyer-willing seller (WBWS) and/or through eminent domain principles, in which both Law 2/2012 and its implementing regulations and OP 4.12 apply.</li> <li>• The RIDA (with the assistance of the PMS Consultant) as the executing agency will monitor the implementation of the WBWS; subproject proponents will document the process of WBWS.</li> <li>• Subproject proponents who will acquire the needed land with the eminent domain principle will prepare a Land Acquisition and Resettlement Action Plan (LARAP) in compliance with the Land Acquisition and Resettlement Policy Framework (LARPF) in this ESMF.</li> <li>• The proponents of subprojects affecting IPs (positively or negatively) will screen and prepare a Social Assessment and Indigenous Peoples Plan (IPP) in accordance with the Indigenous Peoples Planning Framework (IPPF) in this ESMF.</li> <li>• Potential conversion of agricultural land, especially irrigated agricultural land, into non-agricultural land will be avoided or minimized through the ITMPs; similarly, induced development such as the growing informal settlements and small businesses will be address through the ITMPs.</li> </ul>
<b>Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations – DEDs and FSS</b>	
<b>Positive:</b> The Feasibility studies (FSSs) and detailed engineering designs (DEDs) for physical investments under Component 1 provide opportunities to identify,	Terms of Reference for FS must: cover the identification and assessment of potential social impacts and need for land acquisition and/or

<p>avoid and/or minimize potential adverse social impacts and potential needs of land acquisition and/or resettlement that entail from the physical investments. The DEDs could provide inputs to the refinement of the social safeguards instruments (LARAP and/or IPP) as results of technical designs that optimize technical, construction methodology, costs, and risks.</p> <p><b>Negative:</b> If the social issues are not considered in the FSs and DEDs, implementation of physical investments may involve social impacts and risks.</p>	<p>resettlement; provide alternatives to avoid and/or minimize such impacts and need for land acquisition and/or resettlement; and include estimated costs to address such impacts and land acquisition/resettlement as part of the subproject costs that define the social and economic feasibility of the proposed subproject.</p> <p>Terms of Reference of DEDs should consider the ESIA or UKL-UPL, and/or LARAP, IPP's recommendations to address social impacts and to avoid and/or mitigate land acquisition and/or affect to IPs.</p> <p>Recommendations of the DEDs to be implemented during constructions should be implemented through the bidding documents and contracts for the civil works.</p>
<b>Component 2: Promote local participation in the tourism economy</b>	
<p><b>Positive:</b> Local community members improve their workforce skills for jobs in the tourism economy and local firms improve their services and quality standards, which ultimately could lead to the increased opportunities or access to gaining better employment and/or better income.</p> <p>Community empowerment and awareness programs and participation in these in the three destinations.</p> <p><b>Negative:</b></p> <p>a. There could be bias in those who will be able to take the training (no equal opportunities for men and women, for small-scale informal tourist-related operators and large-scale formal operators, for members of local community and for outsiders; for vulnerable peoples and for IPs; etc.)</p> <p>b. Training materials may not consider the local context and values while offering international standards and quality.</p>	<p>The program should prioritize strengthening local training providers, monitoring community satisfaction with access to training programs, and—based on that feedback—explore ways to ensure equal opportunities to participate in the training.</p> <p>In preparing training materials, the government will incorporate local context and values into them, where relevant.</p> <p>Social outcomes can be strengthened through ensuring sufficient IPs will be included in community satisfaction surveys, so that their satisfaction with community empowerment programs can be monitored as well.</p>
<b>Component 3: Enhance the enabling environment for private investment and business entry in tourism</b>	
<p><b>Positive:</b> Enhancing the enabling environment for private investment and business entry will provide reduce costs and increase opportunities for new firms and the expansion of existing firms.</p> <p><b>Negative:</b> Small, local firms might have less access to government officials and be less aware of reforms, and therefore may not consider the possible benefits of the reforms for them.</p>	<p>When advising and assisting local governments in simplifying the requirements and procedures for business entry and licensing, this will include recommendations on:</p> <ul style="list-style-type: none"> <li>• Transparent procedures, requirements and costs for business licensing in the tourism sector;</li> <li>• Communication to the public on the simplification of procedures, requirements and related costs through appropriate media (websites, media, brochures, etc.);</li> <li>• Easy access to process the licensing; and</li> <li>• Complaint handling systems at the subnational levels.</li> </ul>
<b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development - environmental and social monitoring</b>	
<p><b>Positive:</b> The Project will be measuring the periodic Sustainable Tourism Observatory (STO), or equivalent, monitoring reports published based on pre-agreed geographic scope of tourism development areas and list of key 'sustainable tourism' indicators.</p> <p><b>Negative:</b> None anticipated.</p>	<p>No mitigation needed.</p>
<b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development – Integrated Tourism Master Plans (ITMPs)</b>	
<p><b>Positive:</b> The ITMP is a planning tool that will include consideration of social issues, land acquisition and IPs while it integrates multi-sector activities in each of the tourist destinations. The ITMP will promote tourism development that can avoid and/or minimize potential</p>	<p>The TOR for the ITMP includes among others, the requirements as follows (Appendix 1):</p> <ul style="list-style-type: none"> <li>• Preparation of the ITMP at all stages must be participatory and inclusive whereby all concerned parties are invited and participated. The</li> </ul>



<p>adverse impacts on social assets, values and cultural resources on which tourism depends. It will carry out assessment by pre-screening potential activities and associated social impacts and provide scenarios for spatial development for avoiding and/or minimizing impacts and risks. It will also provide guidance to stakeholders who will implement the recommended physical investments on the scope and how to prepare safeguards instruments to address potential social issues, to carry out land acquisition and/or resettlement and manage the affected IPs. ITMPs will help inform all stakeholders and provide a vehicle for consultation to understand their concerns, obtain insight on their aspirations and seek their advice to avoid and/or minimize potential adverse social impacts and risks. The ITMPs will also identify the priority programs needed to strengthen tourism activities at the local level and provide detailed recommendations for the preparation and revision of local and provincial spatial plans and sectoral master plans (if necessary). The in-depth analysis and stakeholder engagement in the ITMPs preparation and implementation will incorporate a bottom-up approach that was lacking in previous spatial analysis conducted in the priority tourism destinations. The ITMPs are thus conceived as a coordination platform for the development of the tourism destination and as the instrument that will pave the way for effective and sustainable tourism development.</p> <p><b>Negative:</b> The ITMPs may not be implemented at the desired standard, which would limit their effectiveness as guides for sustainable tourism development. Facilities constructed upon the recommendation of the ITMPs may have indirect or induced adverse impacts or cumulative impacts either not foreseen, not effectively managed, or both. Unplanned development induced by the provision of tourism facilities is a common example. Local communities can be 'left behind' when it comes to the benefits of tourism and their ability to participate effectively in its development. Tourism development may affect their traditions and cultures. Loss of land, loss of access to customary resources or sources of livelihood, and impacts on the integrity of local culture are also potential negative effects. Some visitors will engage in anti-social behavior, such as drug and alcohol abuse and sex tourism.</p>	<p>Consultant should develop a stakeholders' engagement plan for the preparation of the ITMP. In areas where local/traditional community and IPs are present and affected within the boundary of ITMP areas (especially in the DDP areas), engage them in local languages. Include a wide range of community/IPs leaders. Where those communities consist of IPs, communities should have the opportunity to give or decline for the involuntary land taking, from access restriction and/or from the use of their assets, cultural heritage and values through a free, prior and informed consultations (FPIC) that lead to broad community support to tourism-related development.</p> <ul style="list-style-type: none"> <li>• Areas that are identified as having land legacy issues will be assessed further through a rapid assessment to be carried out by the ITMP Consultant. Land legacy issues can be considered as constraints for further development of the affected area, until the issues are resolved or if there is a clear plan to resolve the issue (with monitoring milestones and clear timeline). The potential risks, opportunities and solution of this issue will be considered in the development scenarios, possibly with a later development phase to be implemented depending on the assessment of the ITMP Consultant and agreement between the RIDA and the Bank. Detail on how to address legacy issues are presented in the LARPF of this ESMF.</li> </ul>
<p><b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development – Downstream sectoral plans</b></p>	
<p><b>Positive:</b> By minimizing the risk of poor planning, the financing of downstream sectoral master plans helps to integrate international standards for sustainability in tourism development and provides an opportunity for inclusive basic services and infrastructure. This also provides the necessary risk assessment on the potential social constraints and benefits and helps to advise the government on the latest techniques and methods for sustainable development, such as design the basic services and infrastructure for vulnerable peoples including the disabled, women and the poorest which tailored to local culture and practices. All community members should have the same access to basic services and infrastructure and affordable to all.</p> <p><b>Negative:</b> The sectoral master plans may not be prepared based on inclusivity for all community</p>	<p>The TOR for the preparation of the sectoral master plans should include social issues, concerns and assess potential adverse social impacts and need for land acquisition and/or resettlement and potential impacts on IPs of the physical investments recommended by the plans if they are implemented in the future. In addition, the TORs should include the preparation of specific guidance for preparing ESIA, UKL-UPL, FS, DED, LARAP and IPP to assess social impacts, potential land acquisition and/or resettlement and impact on IPs, and develop mitigation measures. Guidance for preparing the LARAP and IPP should follow the LARPF and IPPF in this ESMF.</p>

members including vulnerable groups and may not be implemented at the desired standard, which would limit their effectiveness. Facilities and basic service infrastructure constructed upon the recommendation of the sectoral master plans may require land acquisition and/or resettlement, and may affect the IPs. Local communities including IPs or a segment of population can be 'left behind' when it comes to the benefits of improved services.	
<b>Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development – Program Management Support</b>	
<p><b>Positive:</b> One of the tasks of the Program Management Support (PMS) Consultants' Services is to ensure that the Project will implement the ESMF consistently throughout Project implementation.</p> <p><b>Negative:</b> Risks of inadequate support from the social and resettlement experts in the PMS consultant team and unclear scope of tasks, responsibilities and deliverables related to social issues and land acquisition and/or resettlement.</p>	The terms of reference for the PMS should include (a) clear scope of the tasks in environmental and social safeguards management; (b) preparation of social-related practical guidelines for the subproject proponent/local governments such as stakeholders' engagement, livelihood restorations, implementation of FPIC, etc.; (c) providing assistance and training to subproject proponents/local governments; (d) assisting RIDA in reviewing social safeguards instruments; (e) monitoring and evaluating the implementation of safeguards instruments; (f) managing the grievance redress mechanism (GRM); etc. The TOR also includes the need for a social/cultural expert and resettlement specialist with specific qualifications.

### **Comparison of World Bank Safeguards Policies and Indonesian Laws and Regulations**

The activities in the Project need to comply with both Indonesian laws and regulations and World Bank safeguards policies. The goal is that all safeguards documents will be compliant with Indonesian laws and regulations as well as the World Bank safeguards policies as indicated in the ESMF. The ESMF provides a comparison of Indonesian and World Bank safeguards policies focusing only on the World Bank policies that might be relevant for the types of activities the Project will support. Many of the differences are related to the implementation of Indonesian laws and regulations in the preparation of UKL-UPL and AMDAL and the limited technical and institutional capacity to prepare and implement UKL-UPL and AMDAL. Table 9 in the ESMF identifies measures to address World Bank safeguards policy requirements that are not covered by Indonesia laws or regulations and their implementation. The Project triggers several World Bank Safeguard policies including OP 4.01 on Environment Assessment, OP 4.04 on Natural Habitats, OP 4.11 on Physical Cultural Resources, OP 4.36 on Forest, OP 4.12 on Involuntary Resettlement, and OP 4.10 on Indigenous Peoples.

### **Applying World Bank Environmental and Social Policies and Government Regulations in Components 1, 2, 3 and 4 (excluding ITMPs and other plans)**

The ESMF implementation process for components other than the ITMPs and other plans of Component 4 consists of: screening of proposed investments, preparation of safeguards instruments, review and approval, implementation of the instruments, and monitoring and enforcement.

**Screening.** The activities financed under Components 2, 3 and 4 of the Project are unlikely to have adverse environmental or social impacts and will not require formal screening. However, training administered under Component 2, where relevant, will include basic environmental awareness, including relevant aspects of EHS Guidelines, including the industry sector guidelines for tourism and hospitality development. Businesses that emerge in the future because of Component 3 could have adverse impacts, but these cannot be foreseen and will not be directly related to the Project. To improve environmental outcomes, however,

Component 3 will include awareness raising of the EHS Guidelines, including the industry sector guidelines for tourism and hospitality development.<sup>4</sup>

Investments proposed for support under Component 1 will undergo environmental and social screening in a three-stage process: (a) eliminating proposed investments that would contravene prohibitions in Indonesian law and regulations or Bank OPs; (b) screening based on physical thresholds established by Indonesian regulations; and (c) screening based on the risks and potential environmental and social impacts in accordance with World Bank OPs. The outcome of the third stage will be a determination of which environmental assessment category applies – Category A requiring a full ESIA, Category B requiring an ESMP or another less intensive study and instrument, or Category C for sub-projects with minimal impacts for which no safeguards instrument is required. The outcome of this three-stage screening process will determine eligible sub-projects and the appropriate environmental management instrument to be used for each sub-project. Screening will consider associated activities and ancillary facilities. The physical thresholds are established by Ministry of Environment and Forestry (MoEF) for activities that would require AMDAL, or full ESIA, and by the MPWH for activities below the AMDAL threshold that would require UKL-UPL, or ESMP. Below the ESMP threshold, some investments may require SOPs, and some may not require any further safeguards work. Prospective investments will also be examined to determine whether a Land Acquisition and Resettlement Plan (LARAP) or an Indigenous Peoples Plan (IPP) is needed. The ESMF contains frameworks to guide the preparation of LARAP and IPP, and a screening checklist for investments. With the assistance of the PMS Consultant, RIDA will review all screening results and indicate either that it concurs with the screening conclusion or has advised the implementing entity to reconsider the screening.

**Preparation of Safeguards Instruments.** The entity that will implement the proposed investment will prepare the required environmental management instrument (UKL-UPL or AMDAL) based on the result of the screening process and on the DED of the subproject. If the screening process concludes that a SOP is sufficient, the implementing entity will obtain the appropriate SOP from RIDA, which will prepare and issue all SOPs with the assistance of the Project Management Support Consultant. The implementing entity will prepare and submit an Statement Letter for Environmental Management and Monitoring (*Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup*, SPPL) containing its commitment to monitor and manage environmental and social impacts of the investments that are subject to SOP. The preparation of UKL-UPL and AMDAL documents must be in accordance to the Regulation of the Minister of Environment No.16 of 2012 concerning the Guidelines for Preparation of Environmental Document and World Bank OP 4.01. Templates for all of the environmental and social impact management instruments are provided in appendices. It is the intent of the ESMF that a single instrument will meet both Bank and Indonesian requirements, and that whichever requirement is more stringent will apply.

**Implementation and Monitoring of Safeguards Instruments.** Measures in the ESMPs become part of the contract agreement to be signed by the implementing entity and the contractor, and must be supervised by a supervision consultant. A sample of general clauses for the agreement with the contractor is presented in the ESMF. If subprojects are screened as Category A, independent supervision will be required as part of the ESMP.

During its supervision activities, RIDA will review plans, studies, designs, and any UKL-UPL (or AMDALs) prepared under the Project to confirm that the requirements of the ESMF are being adequately incorporated. In the case of physical investments for which DEDs were prepared under the Project, RIDA supervision will include confirmation that the required UKL-UPL (or AMDAL), LARAP, and IPP have been prepared and approved and are of adequate quality. Preparation of safeguards instruments and direct supervision of construction and operation of the physical investments financed by the Project, including compliance with the

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<sup>4</sup> [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines).



safeguards instruments, will be the responsibility of the implementing entity but will be monitored by RIDA. Every six months, RIDA will prepare reports for the Steering Committee and the World Bank on ESMF implementation. The World Bank will review and provide comments and technical advice on the issues included in the reports. RIDA will immediately inform the Steering Committee and the World Bank Task Team of any circumstance or occurrence that could have a materially adverse impact on the environmental and social performance of the Project. In addition, Component 4 will finance activities for stronger environmental and social monitoring capacity in the destinations.

### ***Incorporating Environmental and Social Considerations Based on Bank OPs into the ITMPs and Other Plans of Component 4***

Because ITMPs, consisting of an overall development plan for the entire tourism destination area and detailed development plans (DDPs) for existing and selected future key tourism areas within the tourism destination area (Appendix 1), will include recommendations for infrastructure investments with the potential for adverse impacts, impact avoidance and mitigation should be part of the planning processes. This will be accomplished by incorporating the requirements of Bank safeguards policies requirements upstream, where they have maximum potential to prevent adverse impacts, in contrast to downstream when plans are fixed and designs are proceeding, and the focus of safeguards shifts to mitigation.

The ITMP's DDPs will provide dedicated planning guidelines to manage and control development. Planners will use the relevant sections of the EHS Guidelines. Elements of DDPs based on the application of the safeguards policies as identified in ESMF will include:

- Environmental protection guidelines to protect and restore natural areas;
- Cultural, religious, historic and archeological guidelines to protect valued features;
- Visitor Management/Crowd Control Plans for tourism sites with limited carrying capacity such as temples, heritage sites and cultural villages;
- Proposed institutional arrangements to monitor the condition of natural, social and cultural assets and to implement the plans for their protection;
- Assessment of environmental, social (including IPs) and cultural heritage impacts related to the preferred development scenario at an appropriate scale and level of detail, taking into account cumulative, indirect and induced impacts and impacts of associated facilities, and prepare a high-level mitigation and monitoring plans;
- Social Management Guidelines to avoid, or minimize potential social conflicts or adverse impacts due to the implementation of the development plan;
- Identify and discuss land acquisition and tenure issues related to the preferred development scenario; and provide guidance (in compliance with the LARPF) for the implementing stakeholders to prepare LARAP in case there is a potential involuntary land acquisition and resettlement;
- Indigenous Peoples Planning Framework to guide stakeholders in implementing the development plan in case that activities potentially affect IPs.

### ***Institutional Capacity Requirements***

The outputs/outcomes from the Project activities, if and when implemented, may have a wide range of potential environmental and social impacts. MPWH as the Executing Agency is a well-established government agency with a growing and substantial workforce from different areas of expertise. Among these areas of expertise are Architecture, Engineering, Regional and Urban Planning, Environmental Engineering, Anthropology, Law, and Economics. However, the RIDA as the Project Executing Agency requires the capacity of experts from other fields not currently employed by RIDA. To support such activities, RIDA's core team will be strengthened by additional civil servants or individual consultants and supported by the PMS Consultant. In addition, RIDA is considering to establish, through the Work Unit of the

Strategic Area Development Center, a Technical Expert Team consisting of experts from several areas of expertise stipulated through Decree (SK), especially related to environmental and social aspects.

### **Capacity Building Program**

The Project will finance the PMS Consultant for RIDA, for which the TOR includes Tourism Development Program planning, budgeting, quality control, monitoring, reporting, and coordination to ensure that the Project is in line with its objectives and in accordance with the loan agreement. The duties for the PMS Consultant include:

- a) Providing overall Program management assistance;
- b) Coordinating Program activities;
- c) Creating synergies among all stakeholders;
- d) Ensuring accountability in the management, monitoring and financial reporting of the program;
- e) Assisting in the preparation of the program's consolidated annual spending proposal;
- f) Building a Transparent Information Management System for Tourism Development;
- g) Ensuring the application of the ESMF;
- h) Ensuring the active participation of local communities;
- i) Encouraging appropriate spatial planning practices in accordance with the ITMP;
- j) Capacity building at the tourism destination level for monitoring and conservation of natural and cultural assets essential to tourism;
- k) Ensuring proper handling and resolution of complaints;
- l) Ensuring adequate capacity of all Program stakeholders;
- m) Ensuring timely delivery of reports and ensuring the presentation of relevant documents.

### **Budget for Implementing the ESMF**

The activities and capacities needed to address the safeguards aspects of the Project as described in the ESMF, including the capability building and staffing for safeguards are incorporated into the Project activities and TORs of the activities financed under the Project themselves and therefore there is no need for a separate ESMF implementation budget. For instance, the RIDA will allocate sufficient budget (through government co-financing) for training costs. The costs related to the preparation and implementation of sub-project safeguards instruments are financed separately, through APBN, APBDI, APBDII and the IBRD loan.<sup>5</sup> Eligible expenditures under Component 1 of the Project include DEDs and FSs and includes related safeguards instruments. The costs related to STOs, or equivalent bodies, for environmental, social and cultural monitoring are covered under the Ministry of Tourism budget and enhanced through Project financing (Component 4). The scope of the ITMP and sectoral master plans and other studies include the requirements specified in this ESMF. A significant amount of the PMS Consultants' Services (total budget of \$8,400,000 for 5 years) will specifically focus on facilitating ESMF implementation. The PMS Consultant will also cover an environmental specialist and a social specialist, both with international experience, in RIDA to provide additional capacity to provide time for RIDA to build its capacity.

### **Monitoring and Evaluation Arrangements of the Implementation of ESMF**

Monitoring and evaluation (M&E) will be conducted to ensure that tourism development proceeds in a manner that adheres to the concepts of sustainability, and in accordance with the principles of capacity management.

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<sup>5</sup> APBN - *Anggaran Pendapatan dan Belanja* Negara Indonesia (State Expenditure Budget); APBDI - *Anggaran Pendapatan dan Belanja Provinsi* (Regional Expenditure Budget for Provincial level); APBDII - *Anggaran Pendapatan dan Belanja Daerah* (Regional Expenditure Budget for District level).

During its supervision activities, the RIDA as the Executing Agency will review plans, studies, designs, and any UKL-UPLs (or AMDALs) prepared under the Project to confirm that the requirements of the ESMF are being adequately incorporated. In the case of physical investments for which DEDs were prepared under the Project, RIDA supervision will include confirmation that the required UKL-UPL (or AMDAL), LARAP, and IPP have been prepared and approved and are of adequate quality. Supervision of construction and operation of physical investments to ensure that the safeguards instruments are being effectively implemented. Every six months, RIDA will prepare reports for the Steering Committee and World Bank on ESMF implementation, including an assessment of ESMF effectiveness and recommendations for any necessary amendments to the ESMF. The World Bank will review and provide comments and technical advice on the issues included in the reports. RIDA will immediately inform the Steering Committee and World Bank Task Team of any circumstance or occurrence that could have a materially adverse impact on the environmental and social performance of the Project.

### ***Grievance Redress Mechanism (GRM)***

MPWH will establish a GRM team to receive and facilitate resolution of specific concerns of affected communities and Project participants regarding environmental and social performance. The GRM will aim to resolve concerns promptly, in an impartial, understandable and transparent process tailored to the specific community, and at no cost or without retribution to the complainant(s). GRM composition, systematic procedures, and functions are outlined in the ESMF.

### ***Public Consultation***

RIDA has carried out two rounds of public consultations on, first, the TOR for the ESMF (including the TOR for the ITMP Consultant) and, second, the Draft ESMF and Draft Environmental and Social Systems Assessment (ESSA) in three destinations and in Jakarta. The consultations on the TOR were carried out in Jakarta, Parapat (Lake Toba destination), Magelang (Borobudur-Yogyakarta-Prambanan destination), and in Senggigi (Lombok destination) during April 3-12, 2017. The public consultations on the Draft ESMF and Draft ESSA took place in Medan (Lake Toba destination), Mataram (Lombok destination) and Yogyakarta (Borobudur-Yogyakarta-Prambanan destination), as well as in Jakarta, during July 10-19, 2017. The same invitees of the first round of public consultations were invited for the second round with additional invitees added to the list as recommended by stakeholders who had attended the first round of consultations. In particular, RIDA invited more NGOs, including representatives from *Aliansi Masyarakat Adat Nusantara* (AMAN, Indigenous Peoples Alliance of the Archipelago), an NGO concerned with IPs in Indonesia.

At the time of these consultations, what is now the Project was being prepared as a combination of two financing instruments: Program-for-Results Financing and Investment Project Financing. The ESSA that was prepared for the Program-for-Results covered the activities that are now Components 1, 2, 3 and (part of) Component 4 of the Project, and the Draft ESMF disclosed on 22 June 2017 (and following consultations disclosed in English and Bahasa Indonesia, on RIDA's website [www.bpiw.pu.go.id](http://www.bpiw.pu.go.id) on October 30, 2017) covered the technical assistance packages under Component 4, the content of which has become part of Component 4. Much of the content of the ESSA has been added to the initial ESMF that was consulted on in July 2017, and the new ESMF thus covers all four components. Since the ESSA and the initial ESMF were consulted on together, the public consultations covered the same material that is now in this ESMF, and all the issues, concerns and recommendations expressed by stakeholders have been incorporated in it.

## 1.0 PROJECT DESCRIPTION

### 1.1 BACKGROUND

1. Tourism is a promising growth sector that can provide inclusive and sustainable growth across Indonesia. Tourism is globally recognized for its strong backward and forward linkages with other sectors of the economy and its employment of a high proportion of women (49 percent of formal hospitality and restaurant industry employees) and youth. If planned and managed well, tourism can generate large employment and income multipliers for Indonesia, which can contribute to eliminating poverty and increasing shared prosperity. According to the World Travel and Tourism Council (WTTC), in Indonesia, every US\$1 million of spending in travel and tourism supports US\$1.7 million in GDP and around 200 jobs (of which 67 are direct jobs).<sup>6</sup>

Table 1: Travel and Tourism Competitiveness

2. Indonesia has the potential to develop a world-class tourism industry, leveraging its rich tourism endowments in a sustainable manner. The archipelago is home to one of the most biodiverse habitats in the world having a rich array of tourism endowments that form the underlying draw for visitors. The World Economic Forum (WEF)'s Travel and Tourism Competitiveness Report 2017 ranks Indonesia 14<sup>th</sup> (out of 136 countries) for its natural resources and 23<sup>rd</sup> for its cultural resources and business travel, both capturing the principal reasons to travel (Error! Not a valid bookmark self-reference.). Indonesia has expanded the offer and promotion of its natural resources by increasing the size of protected areas and attracting more online interest in natural activities. However, Indonesia's tourism industry is not yet operating at a level consistent with the quality and diversity of its natural and cultural endowments, and environmental sustainability (131<sup>st</sup>) remains a key risk factor for the sector.<sup>7</sup>

Travel & Tourism Competitiveness Index	2015	2017
<b>Indonesia's overall rank*</b>	<b>50</b>	<b>42</b>
<b>Enabling environment</b>		
Business environment	63	60
Safety and security	83	91
Health and hygiene	109	108
Human resources and labor market	53	64
ICT readiness	85	91
<b>T&amp;T policy and enabling conditions</b>		
Prioritization of Travel and Tourism	15	12
International openness	55	17
Price competitiveness	3	5
Environmental sustainability	134	131
<b>Infrastructure</b>		
Air transport infrastructure	39	36
Ground and port infrastructure	77	69
Tourist service infrastructure	101	96
<b>Natural and cultural resources</b>		
Natural resources	19	14
Cultural resources and business travel	25	23

Source: World Economic Forum, "Travel and Tourism Competitiveness Report, 2015" and 2017;

Note: \*) Rank out of 141 countries in 2015 and 136 in 2017

3. Four key constraints, in particular, contribute to Indonesia's current growth and competitiveness challenges: (i) continued poor access and quality of infrastructure and services for citizens, visitors and businesses; (ii) outside of Bali, limited tourism workforce skills and private-sector tourism services and facilities; (iii) weak enabling environment for private investment and business entry; and (iv) poor inter-ministry/agency, central-local and public-private coordination and weak implementation capabilities for tourism development in general, and for monitoring and preservation of natural and cultural assets in particular. Addressing these constraints in a comprehensive, integrated and incremental manner is therefore key to unlocking Indonesia's potential to develop a world-class tourism industry, benefitting from its rich tourism endowments and building on the success of Bali.

<sup>6</sup> United Nations World Tourism Organization (UNWTO) and UN Women. 2011. Global Report on Women in Tourism 2010; WTTC. 2014. Gender equality and youth employment; and WTTC. 2015. Indonesia: How does Travel and Tourism compare to other sectors?

<sup>7</sup> WEF. 2017. Travel and Tourism Competitiveness Report.

4. The Government of Indonesia (GoI), in its National Medium-Term Development Plan (*Rencana Pembangunan Jangka Menengah Nasional, RPJMN*) 2015-2019, has set several objectives to increase the role of tourism in the Indonesian economy. In March 2016, the GoI extended its free visa facility to 169 countries to attract more foreign visitors, resulting in the world's second most open visa policy, per the WEF's Travel & Tourism Competitiveness 2017 ranking. However, promotion and visa policy alone, without further improvements in the business environment, investment promotion and targeted infrastructure investments for multiple destinations, can overcrowd established destinations such as Bali, erode natural and cultural resources, and spoil the Indonesian 'brand'. Recognizing this, President Joko Widodo urged his Cabinet to accelerate the development of ten priority tourism destinations.

5. It is in this context that the GoI launched the Indonesia Tourism Development Priority Program (*Program Prioritas Nasional Pembangunan Parawisata Indonesia, PPNPPI*), which aims to shift towards a more comprehensive and inclusive approach to tourism development. To fulfill Indonesia's tourism potential, the GoI has recognized the need for integrated tourism destination development and has identified ten destinations for priority development. For the implementation of the PPNPPI, the GoI decided to sequence the development of priority destinations and to start the program in three areas: Lombok in West Nusa Tenggara province; Borobudur-Yogyakarta-Prambanan in Central Java province and the Special Region of Yogyakarta; and Lake Toba in North Sumatra province. If developed effectively, these three distinctively different and unique destinations are expected to increase their combined annual foreign and domestic visitor expenditures from an estimated US\$1.2 billion in 2015 to US\$1.5 billion in 2021 and US\$2.0 billion in 2026.<sup>8</sup>

## 1.2 PROJECT OBJECTIVE

6. The Project Development Objective is to improve tourism-relevant road quality and basic services accessibility, strengthen local economy linkages to tourism, and promote private investment in three tourism destinations in Indonesia.

7. Progress toward the PDO will be measured by four results indicators:

- a. Number of beneficiaries of improvements in quality and sustainability of destination road infrastructure and basic services;
- b. Number of existing tourism businesses with an increase in service and quality ratings;
- c. Value of private investment generated in tourism sector; and
- d. Increased performance in key tourism areas on the "sustainable tourism" indicators.

## 1.3 PROJECT BENEFICIARIES

8. The direct beneficiaries of the Project are the residents in key tourism areas, local job-seekers and workers in the tourism industry and local tourism firms.

- a. The investments under Component 1 on improved road quality and basic services accessibility will primarily benefit the residents in the key tourism areas, who currently suffer from significant lack of access. In the key tourism areas, average household access to sustainable piped water supply, sanitation, and solid waste collection service is estimated at 53%, 66% and 46% respectively. Except for the Gili Islands, in all key tourism areas, more than 90% of basic services will directly benefit the local population, the remainder benefitting visitors and businesses. Road quality improvements planned

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<sup>8</sup> Horwath *Hotel, Tourism and Leisure* (HHTL). 2017. Lombok/Borobudur-Yogyakarta-Prambanan/Lake Toba: Baseline supply and demand, market demand forecasts, and investment needs (hereafter: 'Demand Assessment'). As part of Program preparation, upon the GoI's request, Demand Assessments were prepared that covered for each of the destinations: (i) baseline supply and demand of tourism services; (ii) investment analysis; future market demand analysis (future visitors and investors); and (iv) investment needs (destination infrastructure, tourism infrastructure, skills, firm capabilities, and legal and regulatory environment). The reports are available at [www.bpiw.go.id](http://www.bpiw.go.id)



under the program will help enhance road safety for residents, reduce transport times for trade and business activity, and improve opportunities for environmentally-friendly, non-motorized forms of urban transport (e.g. through the provision of new bicycle paths and sidewalks). An estimated 40% of the tourism-relevant road network is maintained in accordance with the national standards and targets for stable maintenance condition ( $IRI < 6$ ). Component 1 thus represents an acceleration of the government's existing public goods commitments in specific geographic areas—the key tourism areas. Its indirect benefits for tourism development include environmental sustainability, health and hygiene and cleanliness, which together affect the destinations' attractiveness.

- b. The skill development activities under Component 2 will help improve opportunities for local workers and job-seekers in the key tourism areas to get trained or upskilled and capture the jobs created by growing tourism demand. This is expected to benefit both women and men, which represent about 55.4% and 44.6% respectively of tourism sector employment. Its indirect benefits for tourism development include better alignment of skills to the industry's needs and better customer orientation, which will—in turn—improve the destinations' attractiveness.
- c. By promoting partnerships with online tourism platforms and introducing evidence-based capacity building to local tourism firms, Component 2 will benefit tourism firms in the key tourism areas. It will support firms with limited online presence (primarily SMEs) to better integrate into the digital economy as a means of boosting their competitiveness and improving their market access; and will support online firms to improve their product and service quality standards and further broaden their market reach.
- d. The technical assistance under Component 3 will benefit potential investors in the tourism industry, both foreign and domestic. It will help the Investment Coordinating board and the Ministry of Tourism to more strategically attract investments in the tourism destinations, ensuring better alignment of the destinations' visions with high-potential investors. It will also reduce the regulatory burden for business entry.
- e. The beneficiaries under Component 4 are manifold, and include: relevant ministries/agencies for integrated tourism master planning, for monitoring and preservation of natural, cultural and social assets, and for program coordination.
- f. The increased tourism spending in the priority destinations will translate into significant additional revenue for local governments (both provincial and district-level). Turnover at hotels and restaurants is taxed at 21 percent (11 percent sales tax and 10 percent service charge), revenue which accrues directly to local governments. This represents a lower bound on potential revenue gains for local authorities, who also receive a portion of income tax paid by firms and individuals that benefit from increased tourism sector activity.

## 1.4 PROJECT COMPONENTS

9. The project consists of four integrated components, each of which targets a key constraint to unlocking tourism potential in Indonesia, and which collectively are expected to contribute to higher-level impacts on the number of foreign and domestic visitors, related increases in foreign exchange earnings, employment, contribution to GDP and tourism competitiveness.

10. **Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations.** This Component aims to enhance the quality and maintenance of the existing road network, provide facilities for public transport and non-motorized transport in the three priority destinations and their tourism attractions, as well as improve access to basic services and infrastructure essential for a satisfactory tourist

experience and for the preservation of natural and cultural assets. To this end, and considering the needs identified in the three destinations, Component 1 will finance:

- a. Road transport expenditures for improving the quality (rehabilitation and reconstruction) and maintenance of the tourism-relevant existing network of national, provincial and *kabupaten/kota*<sup>9</sup> roads in the destinations in accordance with national standards and targets for stable maintenance condition (i.e. International Roughness Index (IRI) < 6);
- b. The construction or improvement of subnational facilities for public transport, such as bus stops and terminals, jetties, boat landing sites and ferry terminals, taxi and truck stands;
- c. Basic services and infrastructure expenditures, such as those to provide access to sustainable water supply, solid waste management, waste water management and sanitation;
- d. Tourism services and infrastructure expenditures, such as pedestrian and non-motorized traffic facilities and parks and greenery development; and,
- e. Feasibility studies and detailed engineering designs for the abovementioned physical investments.

11. Component 1 is designed to close access and quality gaps for basic services in the key tourism areas in the three destinations and improve tourism-relevant road quality. The Component will cover those expenditures in the key tourism areas that are closely linked to visitor experience, such as the maintenance, rehabilitation and reconstruction of roads, traffic management, public transport facilities, non-motorized traffic infrastructure (e.g. sidewalks and bicycle paths) and park and greenery development. Access to sustainable piped water supply is included too, as key basic services deficiencies have been identified as a weakness by visitors to these destinations. Without piped water supply, residents and visitors must rely on shallow wells or surface water as their main source of drinking water. In the densely-populated areas, both these sources are often heavily contaminated because of poor sanitation practice or poorly-maintained septic tanks, putting people at risk of contracting water-borne diseases such as diarrhea, typhoid, hepatitis, dysentery, and even cholera. Investments in solid waste management and waste water management and sanitation are urgently needed in all three destinations to address cleanliness and litter, health and hygiene, and environmental sustainability concerns.

12. The improvement of basic services will increasingly be devised through a demand-driven and integrated planning approach. Based on the Demand Assessments,<sup>10</sup> this Component focuses on addressing existing gaps and reversing environmental degradation. Once finalized, the ITMPs, financed under Component 4, will improve comprehensive investment planning and phasing and provide a strong framework for increasing the tourism-relevant road quality and basic services accessibility of each destination. The 5-year TDP, however, will not include all infrastructure investments identified in the 25-year ITMPs. First, based on the Demand Assessment and through Component 1, the TDP focuses on addressing existing gaps and reversing environmental degradation. Second, new and larger investments are expected to be needed only in later phases of development, as visitor demand

<sup>9</sup> In Indonesia, subnational governance includes four levels: (1) province/*Provinsi*, (2) city/*kota* and regency/*kabupaten*, (3) sub-district/*kecamatan*, and (4) urban community/*kelurahan* or village/*desa*.

<sup>10</sup> Horwath *Hotel, Tourism and Leisure* (HHTL). 2017. Lombok/Borobudur-Yogyakarta-Prambanan/Lake Toba: Baseline supply and demand, market demand forecasts, and investment needs (hereafter: "Demand Assessment"). As part of Program preparation, upon the government's request, a report (the "Demand Assessment") was prepared that covered for each of the destinations: (i) baseline supply and demand of tourism services; (ii) investment analysis; future market demand analysis (future visitors and investors); and (iv) investment needs (destination infrastructure, tourism infrastructure, skills, firm capabilities, and legal and regulatory environment). Final reports are available at:  
[http://bpiw.pu.go.id/uploads/20170302\\_Lombok\\_Market\\_and\\_Demand\\_Assessment.pdf](http://bpiw.pu.go.id/uploads/20170302_Lombok_Market_and_Demand_Assessment.pdf)  
[http://bpiw.pu.go.id/uploads/20170302\\_Borobudur\\_Market\\_and\\_Demand\\_Assessment.pdf](http://bpiw.pu.go.id/uploads/20170302_Borobudur_Market_and_Demand_Assessment.pdf)  
[http://bpiw.pu.go.id/uploads/20170302\\_Lake\\_Toba\\_Market\\_and\\_Demand\\_Assessment.pdf](http://bpiw.pu.go.id/uploads/20170302_Lake_Toba_Market_and_Demand_Assessment.pdf)

increases. Third, the TDP will focus on the ‘key tourism areas’ within the wider ‘tourism destination’. The Program’s Investment and Expenditure Menu, together with, once ready, the ITMPs, for the 5-year Program, provide—respectively—the type of subprojects eligible under the Project and guidance on siting and recommended policies and practices required for the improvement of tourism-relevant road quality and basic services accessibility in local communities to improve key indicators affecting tourism competitiveness (especially health and hygiene, environmental sustainability and visitor experience).

13. Finalizing the ITMPs, however, is not a pre-requisite for starting Component 1 (Table 2). As long as the ITMPs are not finalized, the type of eligible subprojects for Component 1 is limited to investments that would be advisable no matter what the final outputs of the master plans would be. An initial work program for tourism development for 2018 has already been prepared by the government. Ahead of effectiveness, this program will be reviewed against the Investment and Expenditure Menu (as recorded in the POM).

Table 2: Investment/expenditures and need to await ITMP

Investments/expenditures	ITMP Needed
Road routine maintenance; Road preventative maintenance	No
Road rehabilitation maintenance	No
Road reconstruction	Yes
Bridge routine maintenance, periodic maintenance, rehabilitation, replacement	No
Sub national roads support	No
Planning, management, and supervision of National Road Preservation and Capacity Improvement	No
Construction or improvement of subnational facilities for public transport, such as bus stops and terminals and ferry terminals, taxi and truck stands. Periodic maintenance and improvement on ferry terminals and jetties in existing subnational ports.	Yes
Construction and improvement of infrastructure for pedestrians, bicycles, and non-motorized transport, such as sidewalks, walkways, bicycle paths, road crossings, pedestrian bridges, etc.	Yes
Urban parks and greenery development projects for beautification.	Yes
Expansion of existing and construction of new water supply network.	No
Expansion of existing or construction of new municipal water treatment facilities.	Yes
Repair or replace existing (or damaged) water storage facilities.	No
Small solid waste processing facilities	No
Garbage collection trucks and other collection equipment	No
Small-scale biogas and composting facilities	No
Temporary Disposal Sites	No
Expansion/ rehabilitation/upgrading of existing Final Disposal Site with controlled/sanitary landfill, including supporting facilities	Yes
Establishment of 3R organizations or community services (e.g. waste banks program)	No
Construction and upgrading of fecal sludge treatment plant	Yes
Construction and upgrading of sewer reticulation systems	Yes
Construction and upgrading of waste water treatment plant	Yes
Public toilet and sanitation facilities (e.g. community toilet facilities (MCK) in the local community areas/parks)	No
Septic tank pump out trucks	No
FSs and DEDs for physical investments listed above	Depends on related physical investment

14. **Component 2: Promote local participation in tourism economy.** Component 2 aims to facilitate the participation of local firms and individuals in the economic opportunities arising from the growth of tourism. The key outcomes relate to: (1) guaranteeing a continuous supply of relevant workforce skills for jobs in the tourism economy; (2) supporting local firms



to capture opportunities in the increasingly-digitalized tourism economy; and (3) improving local community awareness (sadar wisata) and engagement in tourism development.

15. The development of relevant workforce skills will include financing for provision of relevant and high-quality competency based training (CBT) and the strengthening of the certification system of the tourism sector in the three selected destinations. The support will align CBT with the demands of the private sector. To enable this, Component 2 will include activities for: (i) the revision of existing and development of new competency-based standards, qualification frameworks and related curriculum packages; (ii) capacity building of teachers and technical and vocational education and training (TVET) institutions for improved delivery of CBT; (iii) the acquisition of equipment and supplies/materials, and adaptation of existing physical spaces for selected TVET institutes to better operate the acquired equipment; (iv) increasing the number of tourism industry professionals who are certified to lecture (Level 6 and 8) in TVET institutions; (v) establishing an independent tourism accreditation body to improve the quality of TVET institutes in line with industry needs; (vi) capacity building of existing and new assessors to be more proficient in certifying graduates of CBT programs and existing tourism professionals based on recognition of prior learning (RPL); (vii) the certification costs for a targeted number of candidates; (viii) life-long learning opportunities (upskilling) for a targeted number of existing tourism professionals; (ix) bi-annual tourism skill development forums; and (x) a simple monitoring system to track the employment outcomes of graduates. Support will be provided to TVET providers who have a Memorandum of Understanding (MoU), or a similar agreement, with the Ministry of Tourism (or the Ministry of Education and Culture) for use of its curriculum and agreed partnerships with potential employers which are based on an agreed results framework (with defined occupational requirements and employment targets). While the Project financing focuses on strengthening TVET institutions relevant to the three destinations, it will also help improve the system for tourism-related workforce skill development, from which other destinations will also benefit.

16. The Ministry of Tourism will be equipped with the means to better prioritize and more effectively deliver capacity building to local firms. Through a partnership with a travel website company, the Ministry of Tourism will identify those tourism firms that are currently offline and develop a series of workshops that will improve these firms' online presence and engagement—critical for any tourism firm to remain competitive and to maximize its access to markets. Furthermore, through this partnership, the Ministry will monitor and evaluate service and quality standards of tourism firms, identify areas needing improvement in each destination, and tailor practical CBT to enable tourism firms to meet higher overall standards.

17. Furthermore, following the issuance of Minister of Tourism Decree No. 11/2017, the GoI's tourism community awareness (Sadar Wisata) program will become the portfolio of Deputy for the Development of Tourism Institutions and Industry, especially the Assistant Deputy dealing with tourism skill development. Such changes will help build better synergy between tourism awareness and basic tourism education programs, improving the effectiveness of community empowerment programs in the destinations. To support the improved design, implementation, and monitoring of these programs, this component will help finance these community awareness/empowerment programs as well as community satisfaction surveys<sup>11</sup> to better assess the perceived benefits from tourism (individual and community benefits; economic and social benefits; conservation of traditions; etc.), changes in socio-economic conditions (e.g. prices, access to resources, traditional values), changes in environmental conditions (improvement or degradation), interaction with visitors, etc.<sup>12</sup>

18. The Component includes programs of the Ministry of Tourism's DG Institutional Development, **Error! Reference source not found.** covering activities related to basic tourism e

<sup>11</sup> Where applicable, the improved programs would also ensure Indigenous Peoples (IPs)' organizations and IPs communities are included in these programs.

<sup>12</sup> UNWTO. 2004. *Indicators of Sustainable Development for Tourism Destinations. A Guidebook*.

education, tourism assessors, accreditation, competence standards, curriculum development, tourism certification, and tourism awareness.

**19. Component 3: Enhance enabling environment for private investment and business entry in tourism.** Component 3 will support the simplification of business entry and licensing requirements for the tourism sector and strengthen systems to monitor and facilitate private investments. Improvements in the business and investment environment will be needed to increase business entry and private investment in the tourism sector and—specifically—in the three destinations. For instance, a simplification of the licensing process for location permits, environmental permits, and building construction permits would significantly reduce the total number of days for the overall licensing process (by up to 35 percent).<sup>13</sup> Baselines for licensing simplification in selected *kabupaten/kota* in the three destinations are being established,<sup>14</sup> with the wider roll-out incentivized under this component, which will support expenditures for licensing mapping, simplification, automation, inventories, and related coordination capabilities to sustain a licensing simplification effort at the national and subnational level.<sup>15</sup> Component 3 will also support the development of destination-specific investment promotion strategies and the institutional capabilities to proactively attract, facilitate, retain, and expand private investment.<sup>16</sup>

**20. Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development.** This component will support the strengthening of institutional capacities at the national and subnational level to facilitate integrated and sustainable tourism development. In more detail, it will support the improvement of planning and institutional and implementation arrangements of the tourism development agenda, reduced degradation of natural and cultural assets, and increased stakeholder engagement in, and local community satisfaction with, tourism development.

**21.** To this end, Component 4 will support technical assistance managed by the Regional Infrastructure Development Agency of the Ministry of Public Works and Housing for:

- a. Integrated tourism master plans (ITMPs), downstream sectoral master plans, and institutional development and capacity building for integrated tourism destination planning. Each ITMP consists of an overall development plan for the entire tourism destination area (with a planning horizon of 25 years) and detailed development plans (with a planning horizon of 5 years) for existing and future key tourism areas within the tourism destination. The plans will be based on a Demand Assessment and economic analysis for each destination and will be prepared in close consultation with all stakeholders, including local communities and the private sector. They will provide the basis for development of tourism facilities and supporting infrastructure that: (a) is consistent with the environmental, social and cultural opportunities and constraints of

<sup>13</sup> World Bank staff estimates, based on a preliminary business environment assessment (World Bank. 2016. Investment Climate Bogor Regency Power Plant Case Study) and assumptions based on global best practice.

<sup>14</sup> With support from the Private Sector Competitiveness Reform II (P160793) non-lending technical assistance. The licensing simplification efforts are not seeking substantive changes in the environmental requirements and review process. The World Bank Group has a longstanding engagement with Indonesia's Investment Coordinating Board (BKPM), and ongoing support will help BKPM prepare the methods for conducting this effort. Experience shows that significant licensing simplification opportunities are possible simply by reducing/making more efficient the administrative processing (e.g. parallel processing, online submission), and without the removal of any of the requirements that safeguard environmental and social risks. BKPM has no authority over the Ministry of Environment and Forestry to make substantive changes in the environmental requirements and review process. The environmental and social requirements and review process will not be affected.

<sup>15</sup> The total number of business licenses in the tourism sector remains unclear at the national and local level.

<sup>16</sup> The IFC Advisory project, currently in pre-implementation, Indonesia: Investment Climate, Competitive Sectors and Competition (602128) includes analyses and recommendations on tourism-relevant investment incentives and investment promotion approaches. The IFC project will thus enable the overall program to benefit from best international practice through the hiring of international consultants, while ensuring that the reforms can be applied in other destinations and sectors beyond those that are the focus on the TDP.

the destinations; and (b) avoids degradation of the natural and cultural assets that attract visitors.

- b. Program coordination: operationalization of national-level technical inter-ministry/agency coordination under the Ministerial-level tourism coordination team, chaired by Indonesia's Vice-President, as well as the establishment and operationalization of destination-specific coordination and delivery mechanisms. This component will finance Program management support to the Regional Infrastructure Development Agency (RIDA) of the Ministry of Public Works and Housing (MPWH), including for Program planning, budgeting, quality control, supervision, monitoring, reporting, and coordination to ensure that program implementation is consistent with program objectives and in compliance with the loan agreement. Tasks include: providing overall program management assistance; coordination of program activities; creating synergies among all stakeholders; ensuring accountability in program financial management, monitoring and reporting; assisting in preparing consolidated yearly expenditure program proposals; establishing a transparent Program Management Information System; ensuring social and environmental safeguards are properly applied; ensuring active local community participation; facilitating proper spatial planning in accordance with the integrated tourism master plans; ensuring appropriate complaint handling and resolution; ensuring adequate capabilities from all program stakeholders and ensuring timely delivery of reports.
- c. Additional studies and technical assistance as needed to support Component 2, 3, and 4 that is: (2) promoting local participation in the tourism economy (skills development and firm capabilities); (3) enhancing enabling environment for private investment and business entry into tourism; and (4) increasing institutional capacity to facilitate integrated.

22. Component 4 will also support activities managed by the Ministry of Tourism's DG Destination Development related to natural, cultural and social asset monitoring and preservation, including through the establishment or strengthening of institutions, such as Sustainable Tourism Observatories (STOs) as part of UNWTO International Network of Sustainable Tourism Observatories (INSTO), or equivalent bodies.

23. **The total cost of the project is estimated at US\$762 million**, for which the government requested an US\$300 million IBRD loan. In December 2016, the government requested for a Preparation Advance and Grant to finance the three ITMPs (Lombok, Borobudur-Yogyakarta-Prambanan, and Lake Toba) and program management support. In November 2017, the Bank signed an Advance Agreement for US\$4,000,000 and a Preparation Grant Agreement for US\$2,100,000. The Preparation Advance (4820) will be refinanced under the Loan, while the preparation grant is financed by the Australian Department of Foreign Affairs and Trade (DFAT) (Table 3).

Table 3: (indicative) Project Cost and Financing

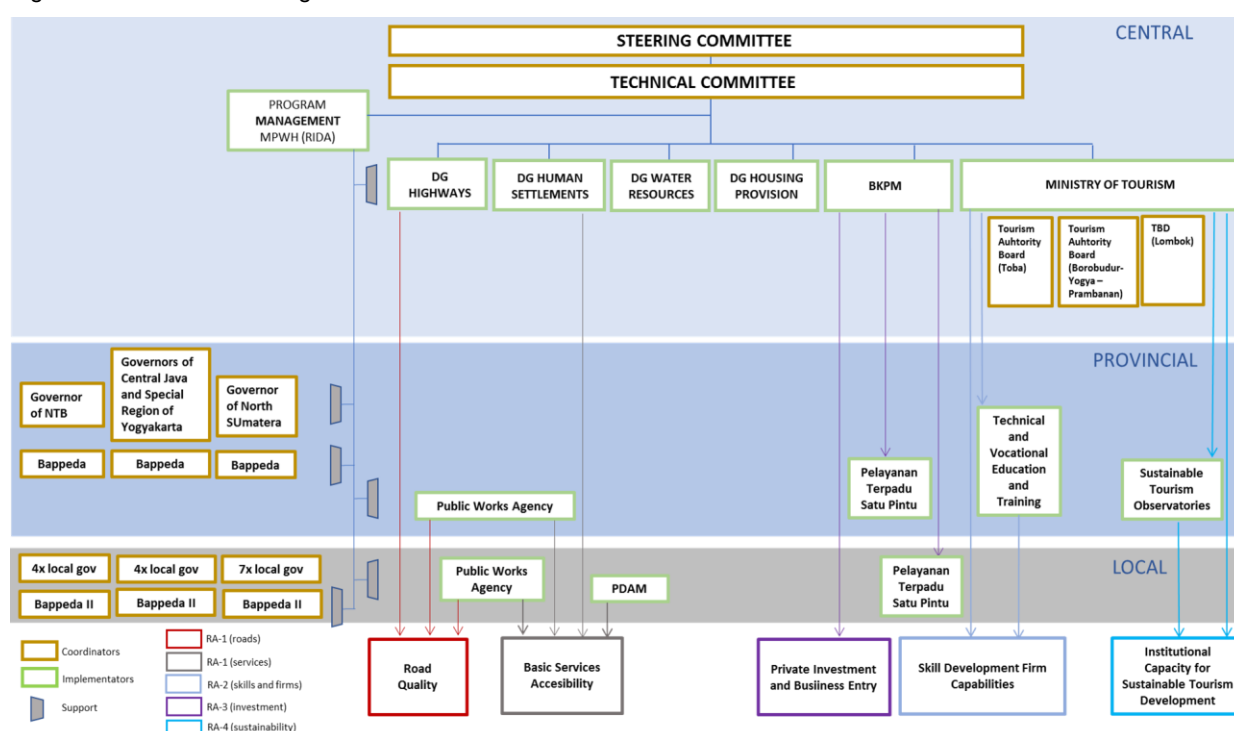
Project Components	Indicative Project cost	Proposed IBRD Financing	Trust Funds
1: Improve tourism-relevant road quality and basic services accessibility	679.96	239.40	
2: Promote local participation in tourism economy	47.02	35.34	
3: Enhance enabling environment for private investment and business entry in tourism	1.47	1.31	
4: Increase institutional capacity to facilitate integrated and sustainable tourism development	32.90	23.20	2.10
Total Project Costs	761.35	299.25	
Front End Fees	0.75	0.75	
Total Financing Required	762.10	300.00	

## 1.5 INSTITUTIONAL ARRANGEMENTS

24. Central level institutional arrangements for coordination of the TDP include:
- Presidential Regulation No 40 of 2017 on Cross-sector Strategic Coordination for Tourism Implementation states 18 ministries under the Vice President that are involved in it, with 4 vice team leaders (Coordinating Minister for Maritime Affairs, Coordinating Minister for Economic Affairs, Coordinating Minister for Political, Legal, and Security Affairs, and Coordinating Minister for Human Development and Cultural Affairs). The members are: Minister of Foreign Affairs; Minister of Home Affairs; Minister of Justice and Human Rights; Minister of Finance; Minister of Education and Culture; Minister of Health; Minister of Public Works and Housing; Minister of Transportation; Minister of Environmental and Forestry; Minister of Maritime Affairs and Fisheries; Minister of Communications informatics; Minister of Agrarian and Spatial Planning; Minister of Industry; Minister of Trade; Minister of State Owned Enterprises; Head of Investment Coordinating Board; Head of Creative Economic Agency; Head of Indonesian National Police.
  - This revision strengthens coordination as the key Ministries/Government Agencies involved in the TDP are coordinated by different coordinating ministries—for instance, the MPWH by the Coordinating Minister of Economic Affairs; the Ministry of Tourism by the Coordinating Minister of Maritime Affairs, the Ministry of Education and Culture (MoEC) by the Coordinating Minister for Human and Cultural Development, and the Ministry of Home Affairs, relevant to local governments, is under the Coordinating Minister of Legal and Security Affairs.
  - A proposed Steering Committee to be composed of Echelon 1 officers from each involved ministries or agencies. It is proposed to be co-chaired by the Deputy Infrastructure in Bappenas and the Deputy Destination Development and Tourism Industry in the Ministry of Tourism. The Head of RIDA will be secretary of the Steering Committee.
  - The proposed Technical Committee consists of tourism development Echelon II officials from each involved ministry or agency. It is co-chaired by the Director of Industry, Tourism and Creative Economy in Bappenas and the Deputy Assistant Infrastructure Development and Impacts of Tourism in the Ministry of Tourism. The Head of the Strategic Area Development Center in RIDA will be secretary of the Technical Committee.
25. Destination level institutional arrangements for coordination of the TDP include:
- A Management Authority Board for Lake Toba Tourism Area, which corresponds to the area defined in the Presidential Regulation No. 81 of 2014, the Spatial Planning of Lake Toba and its surrounding areas. Within this boundary, an ‘authority-zone’ of approximately 602 Ha (exact delineation from Ministry of Environment and Forestry is pending) has been established.
  - A Management Authority Board for Borobudur Tourism Area, including: (i) the National Tourism Destination Areas of Borobudur-Yogyakarta, Solo-Sangiran and Semarang-Karimun Java; (ii) the area defined through Presidential Regulation No. 58 of 2014 concerning the Spatial Plan for Borobudur and its surrounding areas, and (iii) an additional area of approximately 300 Ha located in Purworejo District and currently managed by Perum Perhutani, a state-owned forestry company. Within these 300 Ha, an area of approximately 50 Ha has been identified as an ‘authority-zone’. Based on the Demand Assessment, the scope of the ITMP is limited to Borobudur-Yogyakarta-Prambanan.
  - Destination-level coordination mechanisms for the Lombok tourism destination are expected to be established before effectiveness.
  - For APBD/II alignment for each Province and Kabupaten/Kota in the destinations, Bappenas is expected to establish Province and Kabupaten/Kota task forces.

26. The Tourism Authority Boards for Lake Toba and Borobudur are composed of two bodies: an Advisory Board (or Steering Committee), chaired by the Coordinating Minister for Maritime Affairs, which will establish the general policy, provide overall direction and supervision of the Lake Toba and Borobudur Tourism Areas interventions; and an Executive Board (or Implementing Agency), a working unit under the Ministry of Tourism, which will coordinate, synchronize, and facilitate the planning, development, and construction of both Tourism Areas. Regarding the 'authority-zones', the Executive Board has additionally been granted specific management rights to facilitate its development (i.e., plan the allocation and use of land, sublease and/or cooperate the use with third parties and organize licensing and non-licensing services). Different ministries, provincial governors, and agencies are members of the Advisory Board (membership varies for each Tourism Area reflecting its specific configuration). The Executive Board is responsible for the preparation of the Master Plans for Lake Toba and Borobudur Tourism Areas for a period of 25 years; as well as for a 5-year detailed Development and Construction Plan for each 'authority-zone'. The Tourism Coordination Team agreed to keep the responsibility for the Tourism Area Master Plans with the MPWH. Considering that different institutions (i.e., PT. Taman Wisata Candi Borobudur, Prambanan and Ratu Boko and the Ministry of Education and Culture, through the Borobudur Conservation Office) have been assigned the management of the Borobudur Tourism Area, including Borobudur Temple Area, Prambanan Temple and the Ratu Boko Temple, the Presidential Regulation stipulates that they shall continue to perform their activities but in addition will: (i) refer to the Master Plan for the Borobudur Tourism Area and the detailed Development and Construction Plan that will be prepared by the Executive Board, and (ii) will coordinate with the Borobudur Authority Board while carrying out their specific management activities.

Figure 1: Institutional Arrangements



27. Project implementation arrangements include the Regional Infrastructure Development Agency of the MPWH as Project management unit and the following units as project implementation units (indicative).



Component	CPIUs (IBRD and counterpart funding)	LPIUs (counterpart funding)	Implementing partners (non-procuring)
<b>1: Improve tourism-relevant road quality and basic services accessibility</b>			
<i>Roads: Routine and periodic maintenance</i>	1. Head of planning and Monitoring Division, Balai, II Medan, Directorate of Road Network Development, Directorate General (DG) Highways, Ministry of Public Works and Housing (MPWH)	Provincial and local public works agency	
<i>Roads: Betterment and rehabilitation</i>	2. Head of planning and Monitoring Division, Balai, VIII Semarang 3. Head of planning and Monitoring Division, Balai, IX Mataram 4. Sub directorate of Management and Evaluation of subnational Roads		
<i>Non-motorized traffic facilities</i>	5. Sub-directorate technical planning of Directorate Settlement Development, DG Human Settlements, MPWH	Local public works agency	
<i>Tourism specific infrastructure</i>	5. Sub-directorate technical planning of Directorate Settlement Development, DG Human Settlements, MPWH	Local public works agency	
<i>Piped water supply</i>	6. Sub-directorate technical planning of Directorate Water Supply Development, DG Human Settlements, MPWH		PDAM (self-financed)
<i>Solid waste management</i>	7. Sub-directorate technical planning of Directorate Sanitation Development, DG Human Settlements, MPWH	Local public works agency	
<i>Waste water management &amp; sanitation</i>	7. Sub-directorate technical planning of Directorate Sanitation Development, DG Human Settlements, MPWH	Local public works agency	
<b>2: Promote local participation in tourism economy</b>			
<i>Skill development</i>			TVET institutions, MoEC
<i>Firm capabilities</i>	8. Assistant Deputy for Tourism Skills Development, DG Institutional Development, Ministry of Tourism		
<i>Community awareness</i>			
<b>3: Enhance enabling environment for private investment and business entry in tourism</b>			
<i>Investment promotion</i>	9. Directorate Sector Promotion, DG Investment Promotion, BKPM		Ministry of Tourism, DG Investment Planning
<i>Business entry simplification</i>	10. Directorate of Investment Deregulation, DG Investment Climate Development, BKPM		PTSP-Province; PTSP-Local
<b>4: Increase institutional capacity to facilitate integrated and sustainable tourism development</b>			
<i>Integrated planning and coordination</i>	11. Directorate Strategic Area Development, Regional Infrastructure Development Agency, MPWH		
<i>Monitoring of sustainable tourism</i>	12. Assistant Deputy for Ecosystem Development, DG Destination Development and Tourism Industry, Ministry of Tourism		STOs

## 1.6 PURPOSE AND SCOPE OF THE ESMF

### 1.6.1 Scope and Purpose

28. The ESMF is prepared to identify, avoid, reduce, and mitigate the risks of the potential social and environmental impacts that could result from investments supported under Component 1 and investments recommended in the ITMPs. The ESMF will also provide a mechanism to address impacts that could be associated with business development that emerges in response to business licensing simplification and investment promotion supported under Component 3. It provides guidance for RIDA in: (a) ensuring that the appropriate safeguards instruments are put in place for Component 1 investments to comply with Gol and World Bank safeguards requirements, and (b) incorporating the requirements of the Bank's safeguards operational policies in plans and studies prepared under Component 4 or, when relevant, activities under Component 3.

29. How the ESMF applies varies by type of Project activity.

- The types of investments to be supported under Component 1 are known, but locations, sizes, and timing are not. The framework approach is appropriate in this situation. The ESMF provides for: screening proposed investments, guiding the identification of impacts, facilitating the preparation of safeguards instruments, reviewing and approving the instruments, and monitoring their implementation.
- The ESMF calls for inclusion of environmental awareness training in Component 2 programs, including relevant aspects of EHS Guidelines, and including the industry sector guidelines for tourism and hospitality development.
- For Component 3, the ESMF calls for awareness raising of relevant aspects of EHS Guidelines, including the industry sector guidelines for tourism and hospitality development, amongst business license applicants/investors.
- In the case of ITMPs under Component 4, the ESMF provides for incorporation of the requirements of the various OPs “upstream” in the planning process, so that they are considered in selection of sites for various types of investments and guide the preparation of the necessary safeguards instruments for the investment that will be implemented. For example, in the identification of “no-go zones” based on sensitivity of natural or cultural features, in early consultations with all stakeholders, including IPs and vulnerable groups, etc.
- In the case of sectoral plans, also financed under Component 4, the ESMF requires that outputs include a preliminary assessment of environmental and social impacts, based on the World Bank safeguards policies and Indonesian laws and regulations and guides the preparation of the necessary safeguards instruments for the sectoral investment that will be implemented.

30. This ESMF applies for activities in the Project taking place in the three tourist destinations regardless of source of financing. This is to ensure consistent approaches to tourism development and to avoid reputational risks for the Project. If the government decides so, the ESMF could be expanded to other destinations in the future.

31. The ESMF was prepared in line with the World Bank’s OPs and in accordance with Indonesian national laws and regulations. Any activity prepared under the Project will be done in reference to the principles of sustainable development, including environmental, social, cultural, and economic considerations, as already governed in prevailing the Indonesia laws and regulations and the World Bank safeguards policies. The ESMF includes a comparison of Indonesian laws and regulations and World Bank safeguards policies and provides for gap-filling when Indonesian requirements and procedures do not meet the requirements of Bank OPs. There are also cases in which Indonesian laws and regulations call for a higher level of environmental assessment than the Bank requires. The basic principle of the ESMF is that whichever requirement is the more stringent will be applied.<sup>17</sup>

32. The Project area of influence is the area likely to be affected by Component 1 investments and activities recommended in the ITMPs for the tourism destinations and elaborated in downstream plans as well as by unplanned developments induced by those activities (e.g., spontaneous settlements and informal businesses) and cumulative impacts. The government’s program is expected to cover (at least) ten destinations listed below over time. The Project will focus on the first three in the list. Table 2 in Section 3.0 below describes those three destinations in more detail—the specific areas covered by the ITMPs and their environmental, social, and cultural characteristics.

- ***Borobudur-Yogyakarta-Prambanan***
- ***Lake Toba***

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<sup>17</sup> For technical assistance (TA) activities under Component 1 (FS and DEDs) and Component 4 (ITMPs, Sectoral Master Plans, and PMS), this ESMF was also prepared using the Interim Guidelines on the Application of Safeguard Policies to Technical Assistance (TA) Activities in Bank-Financed Projects and Trust Funds Administered by the Bank (January 2014).

- **Lombok Island**
- *Tanjung Kelayang*
- *Tanjung Lesung*
- *Mount Bromo*
- *Labuan Bajo*
- *Wakatobi National Park*
- *Pulau Seribu*
- *Morotai*

33. The ESMF has the following content:

- Executive Summary;
- Project Description;
- Environmental, social, and cultural characteristics of the three destinations;
- Potential impacts of the project, and mitigation measures for them
- Institutional, legal, regulatory, and policy framework which includes a comparison of the Indonesian laws and regulations and provisions to meet World Bank safeguards policy requirements for the implementation of the Project;
- Procedures for compliance with World Bank environmental and social policies and with national laws and regulations in project investments and development plans;
- Organizational arrangements and institutional assessment and capacity-building for implementation of the ESMF, and the related budget;
- Grievance Redress Mechanism;
- Public consultation and disclosure;
- Monitoring and evaluation arrangements of the implementation of ESMF;
- Appendices, including templates for various safeguards instruments, model terms of reference for the Integrated Tourism Master Plans, record of consultations, etc.

### 1.6.2 Methodology

34. The ESMF was developed through the following steps and methodology:

- **Document reviews.** The following documents were reviewed during the preparation of this ESMF:
  - Draft Project Appraisal Document for a Proposed Loan in the Amount of \$200 Million to the Republic of Indonesia for a Tourism Development Program (April 2017 Draft-PforR);
  - Draft Project Appraisal Document for a Proposed Loan in the Amount of \$200 Million to the Republic of Indonesia for a Tourism Development Program (November 2017 Draft-IPF);
  - Draft Integrated Safeguards Data Sheet (ISDS) at Concept Stage and Project Information Document (PID) Concept Stage;
  - Draft Integrated Safeguards Data Sheet (ISDS) at Appraisal Stage for the TA IPF;
  - Approved ESMF of the TA IPF (23 October 2017);
  - World Bank Safeguard Policies and relevant prevailing Indonesian laws and regulations;



- Indonesia Tourism Development Program Environmental and Social Systems Assessment (ESSA) (December 2016 draft);
  - Draft Terms of Reference for ITMPs; and
  - Demand Assessments.
- **Discussions.** A series of discussions between the RIDA and the World Bank Project Team. RIDA organized a total of eleven meetings from the month of February 2017 to December 2017 for discussion and to seek guidance from the World Bank in preparing the draft ESMF.
  - **Public Consultations.** The ESMF for the TA IPF has gone through two rounds of consultations. The first series of consultations were held in Jakarta (3<sup>rd</sup> April 2017), Borobudur, Magelang Regency (6<sup>th</sup> April 2017), Parapat, Simalungun Regency (10<sup>th</sup> April 2017), and Senggigi, West Lombok (12<sup>th</sup> April 2017) to obtain stakeholder comments on the terms of reference (TOR) for the ESMF. The second consultation series were held in Medan, North Sumatera (10<sup>th</sup> July 2017), Mataram, Lombok (13<sup>th</sup> July 2017), Yogyakarta (17<sup>th</sup> July 2017) and Jakarta (19<sup>th</sup> July 2017) both for the draft of the ESMF and the draft ESSA of the PforR. Because the safeguards aspects of what have become Components 1, 2, 3 and 4 of the Project were addressed in the ESSA, the public consultation essentially covered the same material that is now in this ESMF.

## 2.0 ENVIRONMENTAL, SOCIAL AND CULTURAL CHARACTERISTICS OF THE THREE DESTINATIONS

35. More comprehensive and detailed information on the scope of the activities of the Project for the Consultant's Services to prepare for the ITMP is attached in Appendix 1 – TOR for the ITMP.

36. Three destinations have been identified for which the ITMPs will be completed and which will be funded by the Project. The ITMPs include overall development plans (25 years) for the tourism destination areas:

- (a) The entirety of *Lombok Island*
- (b) *Borobudur-Yogyakarta-Prambanan*, consisting of the Borobudur Cluster, which covers Kecamatan<sup>18</sup> Tempuran, Kecamatan Mertoyudan, Kecamatan Muntilan, Kecamatan Borobudur and Kecamatan Mungkid; the Prambanan-Boko Cluster, which covers Kecamatan Prambanan in Kabupaten Sleman and Kecamatan Prambanan in Kabupaten Klaten; and the Yogyakarta Cluster, which covers Kota Yogyakarta.
- (c) *Lake Toba*, as defined by the Presidential Regulation No. 81 Year 2014 on the Spatial Plan of Lake Toba and Surrounding Areas (covering a period of 25 years), with special attention (i.e., baselines and targets for) to wastewater and solid waste concerns: Kecamatans Simanando, Pangururan, Nainggolan, Onan Runggu, Palipi, Ronggur Nihuta, Silahisabungan, Merek, Muara, Baktiraja, Lintongnihuta, Paranginan, Pematang Silimahuta, Silimakuta, Purba, Haranggaol Horison, Dolok Pardamean, Pematang Sidamanik, Girsang Sipangan Bolon, Ajibata, Lumban Julu, Uluan, Porsea, Siantar Narumonda, Sigumpar, Laguboti, Balige, Tampahan, Sianjur Mulamula, Harian, and Siotio.

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<sup>18</sup> In Indonesia, subnational governance includes four levels: (1) province/*Provinsi*, (2) city/*Kota* and regency/*Kabupaten*, (3) sub-district/*Kecamatan* or district/*District* and (4) urban community/*Kelurahan* or village/*Deas*.

37. Below is the summary of the locations of the key tourism areas within the above tourism destination areas for which a 5-year DDP will be made (See Table 4).

Table 4: Overview of Locations as Described in ITMPs, With a Focus on Detailed Development Plan (DDP)

Description	Lake Toba	Lombok	Borobudur
<b>Priority key tourism areas for DDPs.</b>	<p>Detailed development plans (5 years) for <i>priority key tourism areas</i>:</p> <ul style="list-style-type: none"> <li>-Parapat in Kecamatan Girsang Sipangan Bolon in Kabupaten Simalungun, and Kecamatan Simanindo and Kecamatan Pangururan in Kabupaten Samosir.</li> <li>-Kecamatan Balige in Kabupaten Toba Samosir.</li> </ul>	<p>Detailed development plans (5 years) for <i>priority key tourism areas</i>:</p> <ul style="list-style-type: none"> <li>-Gili Islands-Senggigi covering: Kecamatan Batu Layar in Kabupaten West Lombok, and Kecamatan Pemenang and Kecamatan Tanjung in Kabupaten North Lombok.</li> <li>-The southern coastal area covering: Kecamatan Pujut and Kecamatan Praya Barat in Kabupaten Central Lombok; Kecamatan Sekotong in Kabupaten West Lombok; and Kecamatan Jerowaru in Kabupaten East Lombok.</li> </ul>	<p>Detailed development plans (5 years) for <i>priority key tourism areas</i>:</p> <ul style="list-style-type: none"> <li>-The Borobudur Cluster covering two Kecamatan: Borobudur and Mungkid.</li> <li>-The Prambanan-Boko Cluster covering Kecamatan Prambanan in Kabupaten Sleman and Kecamatan Prambanan in Kabupaten Klaten.</li> <li>-The Yogyakarta Cluster including the Kraton, Taman Sari and Malioboro Street, covering the following Kecamatan: Kraton, Gedongtengen, Danurejan, Ngampilan, Kotagede and Gondomanan.</li> </ul>
<b>Population and main economic activities in the tourism destination area</b>	<p>The total number of population living in the Lake Toba area is estimated to be around 656,872 people. Main economic activities are fisheries, agriculture (rice fields), paper pulp industries, and tourism. *</p>	<p>The total population of Lombok island is estimated to be 3.3 million people. The key tourism areas are concentrated in the southern coastal areas and in the Gili islands off the coast of North Lombok, where population density is low. Main economic activities are local tourism, fishing, and agriculture**.</p>	<p>The total population of Magelang Regency (Borobudur) and the Special Region of Yogyakarta is estimated to be 4.93 million people in 2015.*** Main economic activities are agriculture, tourism and service industries.</p>
<b>General description of the natural habitats of the tourism destination area</b>	<p>The lake provides abundant freshwater and is surrounded by mountainous countryside. The lake basin areas are surrounded by steep cliffs*. There are two islands inside the lake—Samosir Island (647 km<sup>2</sup>) and Pardapur Island (7km<sup>2</sup>).</p>	<p>The North Lombok Regency includes the Gili Islands (Gili Trawangan, Gili Air, and Gili Meno), which support marine life and coral reefs. On the southern side of the Lombok Island, Kecamatan Pujut in Kabupaten South Lombok is known for the beautiful beaches such as Kuta Beach****. Kecamatan Jerowaru is also located in Kabupaten South Lombok and known for its beautiful beaches</p>	<p>The site of Borobudur Temple is surrounded by mountains, lakes, fertile soils, with abundant water resources. Agriculture is one of the main economic activities around the temple complex. Borobudur Temple and its surroundings are also situated in an earthquake zone due to the geological setting.</p>

		and coastal fishing. Sepotong is located in Kabupaten West Lombok and is a coastal area.	
<b>Additional information on sensitive areas in the tourism destination area</b>	Protected forest areas are not located in the tourism destination*. The lake area surrounding the tourism destination is part of a geological formation because of mega-volcanic activity and it is the largest freshwater lake in Indonesia.	In Gili Islands and some parts of Lombok Island, there are turtle conservation activities carried out mostly by privately owned turtle sanctuaries. The Marine Nature Tourism Park for the Gili Ayer Island, Gili Meno Island and Gili Trawangan Island consisted of a total area of 2,954 hectare and it is managed by Ministry of Maritime Affairs and Fisheries since 2009.	The Borobudur Temple compound and Prambanan Temple compound are UNESCO World Heritage Sites. There is no forest habitats or natural habitats that will be degraded by the IPF Project activities***.
<b>Current state of environment condition</b>	Water pollution is an issue. Threats are from untreated waste water from human settlements, aquaculture farming, spilled oil from boats and vessels around the lake, and deposition of sediments due to soil erosion from surrounding steep hills. There are also no proper sanitation facilities to handle solid waste*.	Gili Trawangan's popularity as a tourist destination means it produces 20 tons of waste per day (peak season) or 5–8 tons per day (low season). The island currently has no proper waste management.	Traffic congestion due to limited access roads and over-crowding of tourists during peak season have been two of the concerns that have led the management of the UNESCO site to find suitable alternatives for the current tourist management plan.
<b>Type and key tourism attraction areas.</b>	<b>Nature</b> – Lake scenery, mountainous countryside view, hot spring, waterfalls and mountain trekking. For example: Parbaba, a beach by the fresh water lake (Lake Toba); and the hot springs at Gunung Pusuk Buhit Mountain. <b>Culture</b> – The history and the cultural heritage of the Batak ethnic community are located within the key tourism area. Other attractions such as the Stone Chair of King Siallagan and King Sidabutar's Tomb; and Ambarita, a traditional village that provides glimpses of Batak culture.	<b>Nature</b> – Long stretch of white sandy beaches and smaller nearby islands for snorkeling and dive sites. Pink Beach in Kecamatan Jerowaru is known for its unspoiled scenery and isolated long stretch of pink sandy beach. <b>Culture</b> – Sasak villages that house traditional Sasak farmer families are also key attractions. A Hindu temple (Pura Meru Temple) is the largest and second-most important temple in Lombok.	<b>Culture/Heritage</b> – The Borobudur cluster includes the temples of Borobudur (Pawon and Mendut); the sunrise spots of Punthuk Setumbu; Bukit Rhema, an abandoned prayer site; and surrounding cultural villages. The Prambanan-Ratu Boko cluster's main tourism attractions include the Prambanan Temple and Ratu Boko, a 16 ha site with Buddhist and Hindu structures. The Yogyakarta cluster includes the Keraton, the sultan's residence and a living museum; the Water Palace; and Malioboro Shopping Street.
<b>Indigenous peoples (if any)</b>	Batak people meet the definition of indigenous people and the Batak is	Sasak people meet the definition of indigenous people. There are some	Javanese is the dominant ethnic groups in the area. No

	<p>the dominant ethnic group in the area. They mostly live in the highlands. The Batak Toba people have traditional architecture styles which are common in Samosir. Customary villages (Kampung-kampung Adat) are located in the surroundings of Lake Toba, particularly in the Porsea subdistrict (found in the area covered by the overall development plan but not included in the detailed development plan). There is a Tano Batak indigenous people's alliance network in the area. The organization is working towards customary land territory recognition.</p>	<p>tourism attractions found in in the Sade Customary Village (not included in detailed in development plan), Bek Customary Village, Belek Customary Village, and Bayan Customary Village. Those customary have been revived and share similar movement agenda toward customary land territory recognition. In other parts of Lombok, there are traditional settlements intertwine with modern settlements. This can be found in Khayangan District and Bayan District, North Lombok (not part of the detailed development plans). There is also indigenous people in Ende Village in Pujut district in middle of Lombok (also not part of the detailed development plans).</p>	<p>indigenous people found in surrounding Borobudur, Magelang, and Yogyakarta.</p>
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*Table sources and notes:*

\* KSPN Lake Toba Chapter 3 on the profile of the planned district.

\*\* Lombok Baseline Supply & Demand Assessment – Horwath HTL and Surbana Jurong.

\*\*\* Borobudur (Joglosemar) Baseline & Demand Assessment – Horwath HTL and Surbana Jurong.

\*\*\*\* Every year in February, there is an annual tourist event which is known as “Bau Nyale”.

## 3.0 IMPACTS AND MITIGATION MEASURES

### 3.1 POTENTIAL ENVIRONMENTAL BENEFITS, IMPACTS, AND MITIGATION MEASURES

38. Typical environmental impacts that can be identified during the implementation of the ESMF as well as examples of mitigation measures are described for each type of activity in Table 4.

39. The legal and institutional framework for environmental and social impact assessment including the aspect related to management of direct, induced and cumulative impacts is well developed and comprehensive in the Indonesian laws and regulations. Nevertheless, there are gaps mainly in the form of inconsistent compliance and enforcement in different regions of the country, in functions such as administration of land development and enforcement that hinders the proper management of induced impacts.

Table 5: Component Activities and Potential Environment Impacts

Component	Type of activities	Potential environmental impacts	Possible mitigation measures and EA Instrument
Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations.	<p>1.1 Construction activities</p> <p>a) Road routine maintenance</p> <p>b) Road rehabilitation maintenance</p> <p>c) Road reconstruction</p> <p>d) Bridge routine maintenance and periodic maintenance, rehabilitation and replacement</p> <p>e) Sub national roads supports</p> <p>f) Construction or improvement of subnational facilities for public transport</p> <p>g) Construction and improvement of infrastructure for pedestrians, bicycles, and non-motorized transport.</p> <p>h) Urban parks and greenery development projects for beautification</p> <p>i) Expansion of existing and construction of new water supply network</p> <p>j) Expansion of existing or construction of new municipal water treatment facilities</p> <p>k) Repair or replace existing (or damaged) water storage facilities</p> <p>l) Small solid waste processing facilities</p> <p>m) Temporary Disposal Sites</p> <p>n) Expansion / rehabilitation/ upgrading of existing Final Disposal Site with controlled/ sanitary landfill including supporting facilities</p>	<p><b><u>Positive:</u></b> This component focuses on addressing existing basic services gaps for the population of the key tourism areas and reversing environmental degradation.</p> <p><b><u>Negative:</u></b></p> <p>a) Risks common to most construction activities, e.g., roads, walkways, information centers, pipelines, water and wastewater treatment works:</p> <ul style="list-style-type: none"> <li>• Loss of vegetation and topsoil from land clearing</li> <li>• Soil erosion and stream sedimentation</li> <li>• Dust</li> <li>• Noise and air emissions from heavy equipment</li> <li>• Improper disposal of construction waste</li> <li>• Spills of fuel and lubricants</li> <li>• Damage to other infrastructure or physical cultural resources</li> <li>• Visual intrusion of infrastructure into natural and cultural landscapes</li> </ul> <p>b) Additional risks from construction and operation of water supply weirs and stream channel stabilization</p> <ul style="list-style-type: none"> <li>- Water quality and aquatic habitat degradation caused mainly by suspended solids</li> <li>- Obstruction of fish movements upstream and downstream</li> <li>- Impacts on downstream water uses and users</li> </ul> <p>c) Risks from operation of public toilets</p> <ul style="list-style-type: none"> <li>- Groundwater pollution from septic tanks because of location on unsuitable soils, malfunction, or poor maintenance</li> <li>- Odors and health hazards caused by inadequate housekeeping</li> </ul> <p>d) Additional risks from construction or expansion/upgrading and operation of waste water treatment plants</p> <ul style="list-style-type: none"> <li>- Eutrophication from nutrients in effluent</li> <li>- Mortality of aquatic organisms caused by low dissolved oxygen, or toxic substances introduced into the collection system</li> <li>- Odors caused by plant upsets</li> </ul>	<p>These risks can be mitigated by: a) environmental analysis of alternatives in FSS; b) preparation of good Environmental and Social Management Plans (ESMPs);<sup>19</sup> c) implementation of those ESMPs through inclusion of mitigation measures in DEDs and construction contracts incorporating EHS Guidelines; and d) providing Environmental Code of Practice (ECOP) or Standard Operation Procedures (SOPs) for other activities for which screening indicates that RKL and UKL are not required.</p>

<sup>19</sup> Such as *Upaya Pengelolaan Lingkungan* (UKL, Environmental Management Plan) and *Rencana Pengelolaan Lingkungan* (RKL, Environmental Management Plan), which both also cover social issues.

	<ul style="list-style-type: none"> <li>o) Establishment of 3R organization or community services (e.g. waste banks program)</li> <li>p) Construction and upgrading of fecal sludge treatment plant</li> <li>q) Construction and upgrading of sewer reticulation systems</li> <li>r) Construction and upgrading of waste water treatment plant</li> <li>s) Public toilet and sanitation facilities</li> </ul>	<ul style="list-style-type: none"> <li>e) Additional risks from operation of water treatment systems <ul style="list-style-type: none"> <li>• Improper disposal of sludge and backwash water</li> <li>• Exposure of workers and community members to water treatment chemicals during delivery and use</li> </ul> </li> <li>f) Additional risks from construction and operation of solid waste collection and disposal facilities <ul style="list-style-type: none"> <li>• Groundwater contamination by leachate because of location on unsuitable soils or ineffective lining and leachate collection</li> <li>• Surface water pollution from contaminated runoff or uncollected or inadequately treated leachate</li> <li>• Smoke and fire</li> <li>• Vermin and disease vectors</li> </ul> </li> <li>g) Conversion of productive agricultural land to non-agricultural use</li> <li>h) Workplace and health and safety risks <ul style="list-style-type: none"> <li>• Injuries and falls from not using proper personal protective equipment (PPE) protection while carrying out construction activities.</li> <li>• Risk to surrounding communities for not providing enough barricades or hazards signage to inform the boundary project area risks during on-going construction activities.</li> </ul> </li> <li>• Improper disposal of construction wastes and waste from worker's camp as some contractors do not provide proper portable toilets and good housekeeping practices.</li> </ul>	<p>During implementation, mitigation measures can be better monitored through supervision and enforcement by EHS supervision personnel, including attention to provision and use of PPE and use of signage and barricades at locations of hazards.</p>
	1.2 Feasibility studies (FS) and Detailed Engineering Designs (DEDs) for physical investment listed above.	<p><b><u>Positive:</u></b> The studies provided opportunities to improve environmental outcomes of investments provided.</p> <p><b><u>Negative:</u></b> The studies themselves will not have direct negative impacts.</p>	<p>TORs for FSs will require analysis of alternatives, where appropriate, and comparison of alternatives on environmental grounds. DEDs will incorporate design-related mitigation measures from UKL, RKL, ECOPs or SOP and will be consistent with EHS Guidelines.</p>
Component 2: Promote local participation in tourism economy	The development of relevant workforce skills will include financing for provision of relevant and high-quality competency based training (CBT) and the strengthening of the certification system of the tourism sector in the three selected destinations. The support will align CBT with the	<p><b><u>Positive:</u></b> Opportunity to enhance impact management in tourism sector.</p> <p><b><u>Negative:</u></b> Population increase will impact on the additional land needs and potentially cause environmental damage.</p>	<p>Environmental awareness to be included in relevant training, including relevant aspects of EHS Guidelines, including the industry sector guidelines for tourism and hospitality development.</p>



	demands of the private sector. Community awareness programs.		Local capacity to monitor and manage social and environmental impacts including those of induced development will be enhanced under Component 4.
Component 3: Enhance enabling environment for private investment and business entry in tourism.	The simplification of business entry and licensing requirements for the tourism sector and strengthen systems to monitor and facilitate private investments.	<p><b>Negative:</b> Simplification of the permitting process, including for environmental permits, could be misinterpreted as providing short-cuts that impeded adequate review prior to approval, with the result that insufficient attention would be paid to EHS when new businesses develop.</p> <p><b>Positive:</b> The component can provide an opportunity to strengthen the consideration given to EHS matters, particularly workplace health and safety and waste management.</p>	Use relevant aspects of EHS Guidelines in formulating guidance to business license applicants and reviewers/approvers.
Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development	Environmental and social monitoring (STOs).	<p><b>Positive:</b> The Project will be measuring the periodic Sustainable Tourism Observatory (STO), or equivalent, monitoring reports published based on pre-agreed geographic scope of tourism development areas and list of key 'sustainable tourism' indicators.</p> <p><b>Negative:</b> None anticipated.</p>	No mitigation needed.
a) ITMPs, consisting of an overall development plan for the entire tourism destination area (with a planning horizon of 25 years), and detailed development plans (with a planning horizon of 5 years) for existing and selected future key tourism areas within the tourism destination area.	<ul style="list-style-type: none"> <li>• Analysis of the institutional and legal, regulatory and policy framework;</li> <li>• Analysis of demand and opportunities for tourism destination area development;</li> <li>• Analysis of baseline conditions of spatial plans, infrastructure gaps, and visitor attractions and facilities;</li> <li>• Articulation of environmental, social, socio-economic, and cultural heritage opportunities and constraints;</li> <li>• Preparation of growth projections and development scenarios;</li> <li>• Detailing of the preferred development scenario;</li> <li>• Formulation of the integrated tourism master plan; and</li> </ul>	<p><b>Positive:</b> The ITMPs are created to avoid one of the negative impacts of unintegrated tourism development, which is that increased tourism can degrade the environmental and cultural resources on which tourism depends if necessary preventative infrastructure and management arrangements are not put in place. ITMPs will provide assessment by pre-screening potential activities and associated impacts that would be well identified in the planning process. ITMPs will help to inform all stakeholders and provide a vehicle for consultation to obtain stakeholder concerns and aspirations. They will minimize uncertainty and lack of transparency. The ITMP will also identify the priority programs needed to strengthen tourism activities at the local level and provide detailed recommendations for the preparation and revision of local and provincial spatial plans and sectoral master plans (if necessary). The in-depth analysis and stakeholder engagement in the ITMP will incorporate a bottom-up approach that was lacking in previous spatial analysis conducted in the priority tourism destinations. The ITMP is thus conceived as a coordination platform for the development of the tourism destination and as the instrument that will pave the way for effective and sustainable tourism development.</p>	<p>World Bank safeguards policies and EHS Guidelines are incorporated in the ITMP terms of reference. ITMPs will include:</p> <ul style="list-style-type: none"> <li>• Recommendations for capacity-building to enhance plan implementation</li> <li>• Articulation of environmental, social, socio-economic, and cultural heritage opportunities and constraints;</li> <li>• Preparation of growth projections and development scenarios;</li> <li>• Detailing of the preferred development scenario;</li> </ul>

	<ul style="list-style-type: none"> <li>• Ensure active stakeholder engagement.</li> </ul>	<p><b><u>Negative:</u></b> The ITMPs may not be implemented at the desired standard, which would limit their effectiveness as guides for sustainable tourism development. Facilities constructed upon the recommendation of the ITMPs may have indirect or induced adverse impacts or cumulative impacts either not foreseen, not effectively managed, or both. Unplanned development induced by the provision of tourism facilities is a common example; it can create traffic congestion, generate effluents or solid waste that are not properly managed, and affect visual amenity. Other examples of potential adverse impacts include: depletion of sensitive natural resources upon which tourism often depends; poor maintenance of the facilities after completion of construction, lack of operating budget and capable human resources to manage the facilities and monitor and manage their environmental and social impacts.</p>	<ul style="list-style-type: none"> <li>• Formulation of the integrated tourism master plan; and</li> <li>• Ensure active stakeholder engagement.</li> </ul>
b) Downstream sectoral master plans	<ul style="list-style-type: none"> <li>• Preparing the necessary documents to help the government to improve the quality of expenditures under Result Area 1.</li> </ul>	<p><b><u>Positive:</u></b> By minimizing the risk of poor planning, the financing of downstream sectoral master plans helps to integrate international standards for sustainability in tourism development and provides an opportunity for green building design and construction. This also provides the necessary risk assessment on the potential environmental and social constraints and benefits and helps to advise the government on the latest techniques and methods for sustainable development, such as improved building materials or ways to incorporate climate resilience in infrastructure, especially in sensitive and vulnerable tourism destinations.</p> <p><b><u>Negative:</u></b> The sectoral master plans may not be implemented at the desired standard, which would limit their effectiveness. Facilities constructed upon the recommendation of the sectoral master plans may have indirect or induced adverse impacts or cumulative impacts either not foreseen, not effectively managed, or both. Unplanned development induced by the provision of facilities is a common example; it can create traffic congestion, generate effluents or solid waste that are not properly managed, and affect visual amenity. Other examples of potential adverse impacts include: depletion of natural resources upon which tourism often depends; poor maintenance of the facilities after completion of construction, lack of operating budget and capable human resources to manage the facilities and monitor and manage their environmental and social impacts</p> <p>In some regions, the capacity of the AMDAL or UKL-UPL preparers may be inadequate, as may that of reviewers and enforcement officers in the local government environment agencies, to ensure that all necessary mitigation actions are included in the environmental management plans and are properly implemented by the contractors.</p>	<ul style="list-style-type: none"> <li>• Capacity building and joint training program for the institutions responsible.</li> </ul>



<p>c) Program Management Support Services</p>	<ul style="list-style-type: none"> <li>• Providing program management services to RIDA and necessary documentation and inputs to the Indonesia Tourism Development program for planning, budgeting, quality control, supervision, monitoring, reporting, and coordination, to ensure that program implementation is according to the program objectives and is in compliance with the loan agreement.</li> <li>• The consultants will be working with RIDA and other stakeholders to ensure the objectives and key outcomes of the Program will be well designed, implemented and well-monitored as per specific in the assigned tasks.</li> <li>• The consultants will provide appropriate environmental and social training at RIDA and in the destinations.</li> <li>• The consultants may be called on to provide experts to fill gaps in capacity at RIDA and elsewhere.</li> </ul>	<p><b><u>Positive:</u></b> The Program Management Support Services will provide better solutions and incorporate better efficiency in delivering the necessary key deliverables for the Program. It also will improve the risk assessment and mitigation measures for investments supported by the Program. It will eventually increase the quality and quantity of the deliverables for sustainable tourism development through central-local government coordination and also public-private coordination.</p> <p><b><u>Negative:</u></b> None anticipated</p>	<ul style="list-style-type: none"> <li>• No mitigation needed.</li> </ul>
<p>d) Additional studies and capacity building to support Component 2, 3 and 4, i.e. promoting local participation in tourism economy (skills development and firm capabilities); enhancing enabling environment for private investment and business entry into tourism and increasing institutional capacity to facilitate integrated.</p>	<ul style="list-style-type: none"> <li>• Preparing necessary study assessments and providing solutions on how to mitigate or gaps in the capacity building for skills and knowledge. This could also include budgeting support, training, workshops, or other support identified in the ITMPs or DDPs documents.</li> </ul>	<p><b><u>Positive:</u></b> Various studies will provide opportunities to incorporate environmental, health, safety, and social management aspects in the development of businesses at the SME level towards sustainable economic development. The studies will increase the environmental and social awareness of the SME business players that support the tourism industry development in the targeted destinations.</p> <p>The potential other studies and technical assistance related to the Program Results 2–4 will provide better solutions and capabilities for skill and firm development, including environmental and social impact management, and business environment improvements related to the tourism sector in the priority destinations.</p> <p><b><u>Negative:</u></b> The development of SME business and business climate improvements, if not managed properly, could lead to the depletion of natural resources and potential increase of environmental pollution. This could also lead to social impacts which increase economic disparity.</p>	<ul style="list-style-type: none"> <li>• Improvement of environmental and social awareness in line with economic development.</li> </ul>

### 3.2 POTENTIAL SOCIAL BENEFITS, IMPACTS, AND MITIGATION MEASURES

40. Overall, activities of the four components supported by the Project are expected to generate positive social impacts. The Project is expected to provide local communities and visitors better quality roads, and better access to basic services and infrastructure; as well as increase job opportunities, promote local participation in the tourism economy, and maintain and/or improve and/or protect the natural resources, local culture, traditions, and assets that constitute the attractions of the destinations. However, if the activities are not carefully planned and potential adverse social impacts are not managed properly, they could cause degradation of economic, social, natural resources, and cultural values including loss of livelihoods that would lead to impoverishment and social conflicts.

41. The Project is not expected to generate significant adverse social impacts and risks due to land acquisition and/or resettlement (including access restriction to legally designated parks and protected areas), as activities to be financed under it are likely to include small to medium scale physical investments. However, it is possible that the Government and local governments in the three destinations will implement the recommended physical investments of the ITMPs and that these physical investments would require significant land acquisition and/or resettlement which may generate significant potential social impacts and risks. It is also possible that the activities recommended by the sectoral plans cover physical investments that would have significant adverse social impacts and risks if they are implemented. Potential adverse social impacts would occur during the construction of the physical investment including temporary access restriction and disturbance (e.g. livelihoods, health, convenience etc.) during the construction. Similarly, the improvements of the business and investment environment may increase tourism sector's business entry and private investment which could have potential significant adverse social impacts and risks.

42. Other typical potential adverse social impacts of tourism development (beyond the impacts of land acquisition and/or resettlement) may include: greater economic and social disparity and limited access for the community to public natural resources (such as beaches) due to "enclave tourist resort" development; internal conflict within communities due to inequality of capacity to harness new opportunities, especially for the less-educated, poorest, elderly, and disabled; loss of jobs due to conversion of agricultural activities into tourism-related build-up areas; disturbance and unsustainable commercialization of local cultures, practices, and values; loss of livelihoods and assets due to land acquisition. Community health and safety may also be issues, particularly sexually transmitted diseases and the dangers of busier traffic. Also, if not managed properly, there may be induced uncontrolled growth of settlements and/or small businesses surrounding the tourist attractions.

43. Local governments in the tourist destinations (such as Kabupaten Magelang and Kabupaten Lombok Tengah) are being challenged to: control land use and building development, including the encroachment or conversion of irrigated rice fields to tourist-related activities; protect traditional markets; and promote the inclusion of local community in the tourism-related activities. Further, current traditional or informal tourism-related businesses that have been in operation for some time such as local boat and car renting and their operators, snorkeling and divers, local guides, etc., might also feel insecure with the existence of large-scale, capital-intensive players in these activities due to limited capacity to compete. There is also a concern expressed by local stakeholders at some destinations that existing local culture, values, and practices which have potential for tourist development will be degraded and replaced by modern and "imported" models for tourism development. These stakeholders advocate tourism development that is sensitive to and within current social values, traditions, and community practices so that the region can develop as a unique tourism destination without extensive (adverse) social costs and large investments, in a way that is sustainable in the long-term.

44. The Program may benefit and/or generate adverse impacts on IPs. In many cases, the sites, cultural life, assets, and natural resources that local IP communities depend on are also the main tourist attractions. IP communities would benefit from tourism development through job creation and quality product expansion, getting revenue from the services provided by their assets' uniqueness and values, while also obtaining support from the government to protect their physical and cultural assets. However, if the process of harnessing tourism services from these attractions is not well-managed, the Program may lead to unsustainable commercialization of the IP communities' physical and natural resources and cultural assets, in which their quality will be degraded and no longer attractive for tourists, and in the end leaving both the IP communities and their assets negatively impacted.

45. The potential social issues and risks discussed above could be mitigated through greater inclusion of stakeholders, including local communities and IPs; provision of information related to tourism development activities in advance to the public; inclusive and meaningful consultation and participation in preparation, implementation, and monitoring and evaluation of the ITMPs; improving consistency in implementation of the current laws and regulations pertaining to land acquisition, IPs, and local government and village planning processes through development of practical guidelines; and the provision of capacity building and awareness-raising programs and community satisfaction surveys. More importantly, the ITMPs and their implementation, as well as capacity strengthening for local government and communities should be sensitive to and built upon local cultures, values, and practices to ensure sustainable tourism development.

Table 6: Component Activities, Potential Social Impacts and Possible Mitigation Measures

Component	Type of activities	Potential social impacts	Possible mitigation measures, social safeguards instruments and mitigation instruments
Component 1: Improve tourism-relevant road quality and basic services accessibility of selected destinations.	<p>1.1 Physical investments in</p> <ul style="list-style-type: none"> <li>• Road routine maintenance</li> <li>• Road rehabilitation maintenance</li> <li>• Road reconstruction</li> <li>• Bridge routine maintenance and periodic maintenance, rehabilitation and replacement</li> <li>• Sub national roads supports</li> <li>• Construction or improvement of subnational facilities for public transport</li> <li>• Construction and improvement of infrastructure for pedestrians, bicycles, and non-motorized transport.</li> <li>• Urban parks and greenery development projects for beautification</li> <li>• Expansion of existing and construction of new water supply network</li> <li>• Expansion of existing or construction of new municipal water treatment facilities</li> <li>• Repair or replace existing (or damaged) water storage facilities</li> <li>• Small solid waste processing facilities</li> <li>• Temporary Disposal Sites</li> <li>• Expansion / rehabilitation/ upgrading of existing Final Disposal Site with controlled/ sanitary landfill including supporting facilities</li> <li>• Establishment of 3R organization or community</li> </ul>	<p><b><u>Positive:</u></b></p> <p>a. local community and tourists will have improved access to road, public transport facilities, parks, basic services and infrastructure that will lead to better health condition, reduce expenditures for transport and health services, better living conditions and environmental quality, increased convenience, increased economic and social productivity;</p> <p>b. increased attraction of tourist destination that may lead to expansion in tourism-related activities in the area that would socially and economically benefitted the local community (including IPs) and the local government</p> <p><b><u>Negative:</u></b></p> <p>a. temporary disturbance during construction: health impacts to dusts, disruption of local economic and social activities, limited access to particular areas, temporary limited access to basic services (for instance disruption of the existing water supply availability to households during the expansion of the water supply pipes);</p> <p>b. land acquisition for the expansion and/or newly built infrastructure and facilities and/or for the access road to the newly built infrastructure and facilities</p> <p>c. improved access to IPs' natural and cultural resources may lead to the unsustainable commercialization of these assets without benefitting the IPs and may degrade their quality and ultimately could lose the attractiveness for tourism</p> <p>d. conversion of agricultural land to non-agricultural land which may lead to unemployment for the farmers and labor farmers, which could increase criminal activities and social conflict</p> <p>e. Induced impacts such as the mushrooming of informal settlements and small businesses in the surrounding of the tourist cluster destination due to the increased attractiveness of the area with better infrastructure and basic services</p>	<p>The subproject proponents should include social impact assessment in the Environmental and Social Impact Assessment (ESIA) or UKL-UPL; and develop a social management plan in the ESMP or in the UKL-UPL to address the identified potential adverse social impacts.</p> <p>Mitigation measures to address potential adverse social impacts during construction should be included in the bidding document and contracts for physical works, so that the costs for the mitigation measures will be part of the overall contract amount.</p> <p>For land acquisition issues, land could be obtained by the subproject proponents either through willing-buyer-willing seller (WBWS) and/or through eminent domain principles, in which both Law 2/2012 and its implementing regulations and OP 4.12 apply.</p> <p>The RIDA (with the assistance of the PMS Consultant) as the executing agency will monitor the implementation of the WBWS; subproject proponents will document the process of WBWS.</p> <p>Subproject proponents who will acquire the needed land with the eminent domain principle will prepare a Land Acquisition and Resettlement Action Plan (LARAP) in compliance with the Land Acquisition and Resettlement Policy Framework (LARPF) in this ESMF.</p> <p>The proponents of subprojects affecting IPs (positively or negatively) will screen and prepare a Social Assessment and Indigenous Peoples Plan (IPP) in</p>

Component	Type of activities	Potential social impacts	Possible mitigation measures, social safeguards instruments and mitigation instruments
	services (e.g. waste banks program) <ul style="list-style-type: none"> <li>• Construction and upgrading of fecal sludge treatment plant</li> <li>• Construction and upgrading of sewer reticulation systems</li> <li>• Construction and upgrading of waste water treatment plant</li> <li>• Public toilet and sanitation facilities</li> </ul>		accordance with the Indigenous Peoples Planning Framework (IPPF) in this ESMF. Potential conversion of agricultural land, especially irrigated agricultural land, into non-agricultural land will be avoided or minimized through the ITMPs; similarly, induced development such as the growing informal settlements and small businesses will be address through the ITMPs.
	1.2 Feasibility studies (FS) and Detailed Engineering Designs (DEDs) for physical investment listed above.	<p><b><u>Positive:</u></b> a. The studies provide opportunities to identify, avoid and/or minimize potential adverse social impacts and potential needs of land acquisition and/or resettlement that entail from the physical investments. The DEDs could provide inputs to the refinement of the social safeguards instruments (LARAP and/or IPP) as results of technical designs that optimize technical, construction methodology, costs, and risks.</p> <p><b><u>Negative:</u></b> a. If the social issues are not considered in the studies, implementation of physical investments may involve social impacts and risks.</p>	<p>Terms of Reference for FS must: cover the identification and assessment of potential social impacts and need for land acquisition and/or resettlement; provide alternatives to avoid and/or minimize such impacts and need for land acquisition and/or resettlement; and include estimated costs to address such impacts and land acquisition/ resettlement as part of the subproject costs that define the social and economic feasibility of the proposed subproject.</p> <p>Terms of Reference of DEDs should consider the ESIA or UKL-UPL, and/or LARAP, IPP's recommendations to address social impacts and to avoid and/or mitigate land acquisition and/or affect to IPs.</p> <p>Recommendations of the DEDs to be implemented during constructions should be implemented through the bidding documents and contracts for the civil works.</p>
Component 2: Promote local participation in tourism economy	The development of relevant workforce skills will include financing for provision of relevant and high-quality competency based training (CBT) and the strengthening of the certification system of the tourism sector in the three selected	<b><u>Positive:</u></b> Local community members improve their workforce skills for jobs in the tourism economy and local firms improve their services and quality standards, which ultimately could lead to the increased opportunities or access to gaining better employment and/or better income.	The program should prioritize strengthening local training providers, monitoring community satisfaction with access to training programs, and—based on that feedback—explore ways to ensure

Component	Type of activities	Potential social impacts	Possible mitigation measures, social safeguards instruments and mitigation instruments
	destinations. The support will align CBT with the demands of the private sector. Community awareness programs.	<p>Community empowerment and awareness programs and participation in these in the three destinations.</p> <p><b><u>Negative:</u></b> There could be bias in those who will be able to take the training (no equal opportunities for men and women, for small-scale informal tourist-related operators and large-scale formal operators, for members of local community and for outsiders; for vulnerable peoples and for IPs; etc.) Training materials may not consider the local context and values while offering international standards and quality.</p>	<p>equal opportunities to participate in the training.</p> <p>In preparing training materials, the government will incorporate local context and values into them, where relevant.</p> <p>Social outcomes can be strengthened through ensuring sufficient IPs will be included in community satisfaction surveys, so that their satisfaction with community empowerment programs can be monitored as well.</p>
Component 3: Enhance enabling environment for private investment and business entry in tourism.	The simplification of business entry and licensing requirements for the tourism sector and strengthen systems to monitor and facilitate private investments.	<p><b><u>Positive:</u></b> Enhancing the enabling environment for private investment and business entry will provide reduce costs and increase opportunities for new firms and the expansion of existing firms.</p> <p><b><u>Negative:</u></b> Small, local firms might have less access to government officials and be less aware of reforms, and therefore may not consider the possible benefits of the reforms for them.</p>	<p>When advising and assisting local governments in simplifying the requirements and procedures for business entry and licensing, this will include recommendations on:</p> <ul style="list-style-type: none"> <li>• Transparent procedures, requirements and costs for business licensing in the tourism sector;</li> <li>• Communication to the public on the simplification of procedures, requirements and related costs through appropriate media (websites, media, brochures, etc.);</li> <li>• Easy access to process the licensing; and</li> <li>• Complaint handling systems at the subnational levels.</li> </ul>
Component 4: Increase institutional capacity to facilitate integrated and sustainable tourism development	Environmental and social monitoring (STOs).	<p><b><u>Positive:</u></b> The Project will be measuring the periodic Sustainable Tourism Observatory (STO), or equivalent, monitoring reports published based on pre-agreed geographic scope of tourism development areas and list of key 'sustainable tourism' indicators.</p> <p><b><u>Negative:</u></b> None anticipated.</p>	No mitigation needed.



<p>a. Integrated Tourism Master Plan Plans (ITMPs), consisting of an overall development plan for the entire tourism destination area (with a planning horizon of 25 years), and detailed development plans or DDPs (with a planning horizon of 5 years) for existing and selected future key tourism areas within the tourism destination area.</p>	<ul style="list-style-type: none"> <li>• Analysis of the institutional and legal, regulatory and policy framework;</li> <li>• Analysis of demand and opportunities for tourism destination area development;</li> <li>• Analysis of baseline conditions of spatial plans, infrastructure gaps, and visitor attractions and facilities;</li> <li>• Articulation of environmental, social, socio-economic, and cultural heritage opportunities and constraints;</li> <li>• Preparation of growth projections and development scenarios;</li> <li>• Detailing of the preferred development scenario;</li> <li>• Formulation of the integrated tourism master plan; and</li> <li>• Ensure active stakeholder engagement.</li> </ul>	<p><b><u>Positive:</u></b> The Integrated Tourism Master Plan (ITMP) is a planning tool that will include consideration of social issues, land acquisition and IPs while integrates multi-sector activities in each of the tourist destination areas. The ITMP will promote tourism development that can avoid and/or minimize potential adverse impacts on social assets, values and cultural resources on which tourism depends. It will carry out assessment by pre-screening potential activities and associated social impacts and provide scenarios for spatial development for avoiding and/or minimizing impacts and risks. It will also provide guidance to stakeholders who will implement the recommended physical investments on the scope and how to prepare safeguards instruments to address potential social issues, to carry out land acquisition and/or resettlement and manage the affected IPs. ITMP will help inform all stakeholders and provide a vehicle for consultation to understand their concerns, obtained their aspirations and seek their advice to avoid and/or minimize potential adverse social impacts and risks. The ITMPs will also identify the priority programs needed to strengthen tourism activities at the local level and provide detailed recommendations for the preparation and revision of local and provincial spatial plans and sectoral master plans (if necessary). The in-depth analysis and stakeholder engagement in the ITMPs preparation and implementation will incorporate a bottom-up approach that was lacking in previous spatial analysis conducted in the priority tourism destinations. The ITMPs are thus conceived as a coordination platform for the development of the tourism destination and as the instrument that will pave the way for effective and sustainable tourism development.</p> <p><b><u>Negative:</u></b> The ITMPs may not be implemented at the desired standard, which would limit their effectiveness as guides for sustainable tourism development. Facilities constructed upon the recommendation of the ITMPs may have indirect or induced adverse impacts or cumulative impacts either not foreseen, not effectively managed, or both. Unplanned development induced by the provision of tourism facilities is a</p>	<p>The terms of reference of the ITMP consultants will include among others, the requirements as follows (see Appendix 1) for further scope and details of the TOR of ITMP Consultant):</p> <p>a. Preparation of the ITMP at all stages will have to be participatory and inclusive whereby all concerned parties are invited and participated. The ITMP consultant should develop a clear stakeholders' engagement plan for the preparation of the ITMP; development scenarios. In areas where local/traditional community and IPs are present and affected within the boundary of ITMP areas, engage them in local languages. Include a wide range of community/IPs leaders. Where those communities consist of indigenous or land-connected peoples, communities should have the opportunity to give or decline for the involuntary land taking, from access restriction and/or from the use of their assets, cultural heritage and values through FPIC that lead to broad community support to tourism-related development.</p> <p>b. Areas that are identified in the baseline information as having land legacy issues will be assessed further through rapid assessment to be carried out by the ITMP consultant team. Land legacy issues can be considered as constraints from further development of the affected area in the ITMP, until the issues are resolved or if there is a clear plan to resolve this issue. (with monitoring milestones and clear timeline). The potential risks, opportunities and solution of this issue will be taken into account in the development scenarios, possibly with a later development phase to be implemented depending on the assessment of the ITMPs consultant and agreement between the RIDA and the</p>
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		<p>common example; it can create traffic congestion, generate effluents or solid waste that are not properly managed, and affect visual amenity. Local communities can be “left behind” when it comes to the benefits of tourism and their ability to participate effectively in its development, and may affect their traditions and cultures. Loss of land, loss of access to customary resources or sources of livelihood, and impacts on the integrity of local culture are also potential negative effects. Some visitors will engage in anti-social behavior, such as drug and alcohol abuse and sex tourism. Other examples of potential adverse impacts include: depletion of sensitive natural resources upon which tourism often depends; poor maintenance of the facilities after completion of construction, lack of operating budget and capable human resources to manage the facilities and monitor and manage their environmental and social impacts.</p>	<p>Bank. Details on how to address legacy issues are presented in the LARPF para.97-100 of this ESMF.</p>
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Component	Type of activities	Potential social impacts	Possible mitigation measures, social safeguards instruments and mitigation instruments
b. Downstream sectoral master plans	Preparing the necessary documents to help the government to improve the quality of sectoral basic services.	<p><b>Positive:</b> By minimizing the risk of poor planning, the financing of downstream sectoral master plans helps to integrate international standards for sustainability in tourism development and provides an opportunity for inclusive basic services and infrastructure. This also provides the necessary risk assessment on the potential social constraints and benefits and helps to advise the government on the latest techniques and methods for sustainable development, such as design the basic services and infrastructure for vulnerable peoples including the disabled, women and the poorest which tailored to local culture and practices. All community members should have the same access to basic services and infrastructure and affordable to all.</p> <p><b>Negative:</b> The sectoral master plans may not be prepared on the basis of inclusivity for all community members including the vulnerable groups and may not be implemented at the desired standard, which would limit their effectiveness. Facilities and basic service infrastructure constructed upon the recommendation of the sectoral master plans may require land acquisition and/or resettlement, and may affect the IPs. Local communities including IPs or a particular segment of population can be “left behind” when it comes to the benefits of improved services.</p>	The TOR for the preparation of the sectoral master plans should include social issues, concerns and assess potential adverse social impacts and need for land acquisition and/or resettlement and potential impacts on IPs of the physical investments recommended by the plans if they are implemented in the future. In addition, the TORs should include the preparation of specific guidance for preparing ESIA, UKL-UPL, FS, DED, LARAP and IPP to assess social impacts, potential land acquisition and/or resettlement and impact on IPs, and develop mitigation measures. Guidance for preparing the LARAP and IPP should follow the LARPF and IPPF in this ESMF.
c. Program Management Support Services	<p>Providing program management services to RIDA and necessary documentation and inputs to the Indonesia Tourism Development program for planning, budgeting, quality control, supervision, monitoring, reporting, and coordination, to ensure that program implementation is according to the program objectives and is in compliance with the loan agreement.</p> <ul style="list-style-type: none"> <li>The consultants will be working with RIDA and other stakeholders to</li> </ul>	<p><b>Positive:</b> One of the tasks of the PMS Consultants' Services is to ensure that the Project will implement the ESMF consistently throughout Project implementation.</p> <p><b>Negative:</b> Risks of inadequate support from the social and resettlement experts in the PMS consultant team and unclear scope of tasks, responsibilities and deliverables related to social issues and land acquisition and/or resettlement.</p>	The terms of reference for the PMS should include (a) clear scope of the tasks in environmental and social safeguards management; (b) preparation of social-related practical guidelines for the subproject proponent/local governments such as stakeholders' engagement, livelihood restorations, implementation of free, prior and informed consultation (FPIC), etc.; (c) providing assistance and training to subproject proponents/local governments; (d) assisting RIDA in reviewing social safeguards instruments;

Component	Type of activities	Potential social impacts	Possible mitigation measures, social safeguards instruments and mitigation instruments
	<p>ensure the objectives and key outcomes of the Program will be well designed, implemented and well-monitored as per specific in the assigned tasks.</p> <ul style="list-style-type: none"> <li>The consultants will provide appropriate environmental and social training at RIDA and in the destinations.</li> <li>The consultants may be called on to provide experts to fill gaps in capacity at RIDA and elsewhere.</li> </ul>		<p>(e) monitoring and evaluating the implementation of safeguards instruments;</p> <p>(f) managing the grievance redress mechanism (GRM); etc. The TOR also includes the need for a social/cultural expert and resettlement specialist with specific qualifications.</p>
<p>d. Additional studies and capacity building to support Component 2, 3 and 4, i.e. promoting local participation in tourism economy (skills development and firm capabilities); enhancing enabling environment for private investment and business entry into tourism and increasing institutional capacity to facilitate integrated.</p>	<ul style="list-style-type: none"> <li>Preparing necessary study assessments and providing solutions on how to mitigate or address gaps through the capacity building for skills and knowledge. This could also include budgeting support, training, workshops, or other support identified in the ITMPs or DDPs documents.</li> </ul>	<p><b>Positive:</b> Various studies will provide opportunities to incorporate environmental, health, safety, and social management aspects in the development of businesses at the SME level towards sustainable economic development. The studies will increase the environmental and social awareness of the SME business players that support the tourism industry development in the targeted destinations.</p> <p>The potential other studies and technical assistance related to the Project Component 2-4 will provide better solutions and capabilities for skill and firm development, including environmental and social impact management, and business environment improvements related to the tourism sector in the priority destinations.</p> <p><b>Negative:</b> The development of SME business and business climate improvements, if not managed properly, could lead to the increased disparity between the small-scale, informal business entities and large-scale, formal business entities. This could also lead to potential social conflicts due to the increase economic disparity.</p>	<p>Terms of reference of various studies and capacity building to support Component 2-4 should include assessment and requirements for equal opportunities for any business entities to participate in the tourism economy and to get services from the simplification of the business entry and requirements of licensing, as well as equal access to training on capacity strengthening.</p>

## 4.0 POLICIES, LEGISLATIVE AND REGULATORY FRAMEWORK AND GAP ANALYSIS

### 4.1 APPLICABLE WORLD BANK ENVIRONMENTAL AND SOCIAL SAFEGUARDS AND SOCIAL POLICIES

46. The World Bank Safeguard Policies and their policy objectives are summarized in the table below:

Table 7: World Bank Environmental and Social Safeguards and their Policy Objectives

No.	OP/BP	Safeguard	Policy Objectives
1.	4.01	Environmental Assessment	Help ensure the environmental and social soundness and sustainability of investment projects. Support integration of environmental and social aspects of projects in the decision-making process.
2.	4.04	Natural Habitats	Promote environmentally sustainable development by supporting the protection, conservation, maintenance, and rehabilitation of natural habitats and their functions.
3.	4.09	Pest Management	Minimize and manage the environmental and health risks associated with pesticide use and promote and support safe, effective, and environmentally sound pest management.
4.	4.11	Physical Cultural Resources	Assist in preserving PCR and in avoiding their destruction or damage. PCR includes resources of archeological, paleontological, historical, architectural, religious (including graveyards and burial sites), aesthetic, or other cultural significance.
5.	4.12	Involuntary Resettlement	Avoid or minimize involuntary resettlement and, where this is not feasible, assist displaced persons in improving or restoring their livelihoods and standards of living in real terms relative to pre-displacement levels or to levels prevailing prior to the beginning of project, whichever is higher.
6.	4.10	Indigenous Peoples	Design and implement projects in a way that fosters full respect for Indigenous Peoples' dignity, human rights, and cultural uniqueness and so that they (1) receive culturally compatible social and economic benefits, and (2) do not suffer adverse effects during the development process.
7.	4.36	Forests	Realize the potential of forests to reduce poverty in a sustainable manner, integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests.
8.	4.37	Safety of Dams	Ensure quality and safety in the design and construction of new dams and the rehabilitation of existing dams, and in carrying out activities that may be affected by an existing dam.
9.	7.50	Projects on International Waterways	Ensure that the international aspects of a project on an international waterway are dealt with at the earliest possible opportunity and that riparian are notified of the proposed project and its details.
10.	7.60	Projects in Disputed Areas	Ensure that other claimants to the disputed area have no objection to the project, or that the special circumstances of the case warrant the Bank's support of the project notwithstanding any objection or lack of approval by the other claimants.

47. In addition, the World Bank Group Environmental, Health and Safety Guidelines (EHS Guidelines) are cited as a reference for good international practice in OP 4.01.

## 4.2 INDONESIAN LAWS AND REGULATIONS

48. Beside the World Bank Safeguard Policies, the Project must also comply with Indonesian environmental and social legislation and regulations, as well as those on land acquisition and Indigenous Peoples. The following Table lists the key laws and regulations related to environmental, social, and land acquisition issues:

Table 8: Applicable Indonesian Legislation and Regulations on Environmental, Social, and Land Acquisition Issues

No.	Regulations	Theme and General Objective
1.	Law No. 32 Year 2009	<b>Environmental Protection and Environmental Management.</b> The purpose of this Law is to foster environmentally sustainable development by means of an environmental planning policy, and the rational exploitation, development, maintenance, restoration, supervision, and control of the environment. Environmental protection and management shall be planned through the following phases: environmental inventorying to obtain data and information on natural resources; stipulation of eco-regions; and the formulation of environmental protection and management plans.
2.	Law No. 18 Year 2013	<b>Prevention and Eradication of Deforestation (UUP3H).</b> The law aims to prevent and eradicate forest destruction with several objectives: a.) ensures the law certainty and deterrent effects to those caused forests destructions; b.) ensures the sustainability of the forests; c.) optimizes the management and utilization of forest products by considering the balance of forest functions for the welfare of the people; and, d.) enhance the capacities and coordination of the lawmakers and related parties in handling the prevention and eradication of forests destruction. The scope includes: a.) prevention of forests destruction; b.) eradication of forests destruction; c.) institutionalization; d.) community participations; e.) international cooperation; f.) witness, reporter, and informant protection; g.) financing; and, h.) sanctions.
3.	Law No. 26 Year 2007 (Amends Law No. 24 Year 1992)	<b>Spatial Planning Management.</b> In the context of decentralization, urbanization and other factors, it grants authority over spatial planning to provincial governments and district (local) governments ( <i>pemerintah kabupaten</i> and <i>pemerintah kota</i> ). Provision of this authority is not stipulated within previous spatial planning laws. It also provides some new ways for enhancing development control including zoning, planning permits, implementation of incentives and disincentives, including administration and criminal sanction. Law No. 26 Year 2007 also acknowledges the importance of public participation in spatial planning.
4.	Government Regulation No. 27 Year 2012	<b>Environmental Permit.</b> The Environmental Permit Regulation No. 27 Year 2012 requires that application for environmental permit shall be accompanied by environmental assessment documents (AMDAL and UKL-UPL), business legal documents, and business profile document. Under this regulation, project owners need to apply for an environmental permit from the appropriate government authority before project implementation.
5.	Government Regulation No. 46 Year 2016	<b>Procedures for Implementation of Strategic Environmental Assessment.</b> This regulation concerns procedures for the implementation of a series of systematic, thorough, and participatory analyses in order to ensure that the principles of sustainable development have become the basis for and been



No.	Regulations	Theme and General Objective
		integrated in the development of a region and/or policy, plan, and/or program.
6.	Government Regulation No. 82 Year 2001	<b>Water Quality Management and Control of Water Pollution.</b> This regulation is designed to control the management of water quality and water pollution in an integrated manner using the ecosystem approach. This integration means the control is applied to the planning, implementation, supervision, and evaluation phases.
7.	Government Regulation No. 41 Year 1999	<b>Control of Air Pollution.</b> The aims of air pollution control are: (a) guaranteeing the safety and conservation of environmental and public services functions; (b) raising public awareness of the environment so as to achieve harmony, suitability, and equilibrium between humans and the environment; (c) controlling the use of resources wisely; and (d) controlling sources of pollution so that the air quality meets the medical requirements for humans and other creatures.
8.	Government Regulation No. 101 Year 2014	<b>Hazardous Waste Management.</b> In general, this Regulation regulates the management and disposal procedures for toxic and hazardous waste substances (“hazardous waste”), covering: (a) methods of identifying, reducing, storing, collecting, transporting, utilizing, processing, and signage of hazardous waste; (b) procedures for dumping hazardous waste into the open sea or land; and (c) risk mitigation and emergency procedures.
9.	Government Regulation No. 26 Year 2008	<b>National Spatial Plan.</b> The regulation regulates policy directives and spatial utilization strategies, which are intended to actualize a safe, comfortable, productive, and sustainable national plan.
13.	Regulation of the Minister of Spatial Development / National Land Agency No. 5/2015	<b>Location Permission.</b> This regulation describes the permits that should be obtained for acquiring land. It regulates the area of the land and confirms the area of the land is in commensurate with the prevailing spatial plans, and also outlines the procedures, rights, liabilities, and monitoring and evaluation of the permit holders.
13.	Presidential Regulation No 58 Year 2015	<b>Borobudur and its Surrounding Spatial Plan.</b> This regulation is an operationalization instrument of the national spatial plan and a coordination instrument for the implementation of Borobudur’s development to ensure the preservation of the Borobudur area as a National Cultural Heritage Area and World Cultural Heritage Site.
14.	Minister of the Environment Regulation No. 05 Year 2012	<b>Types of Business and/or Activities for which an Environmental Impact Assessment (AMDAL) is Mandatory.</b> This Regulation lists activities in different sectors and specifies the limit of business scale that will trigger the requirement that the activities obtain an AMDAL (full environmental impact analysis (EIA)) study. Activities not listed in this regulation only require a UKL-UPL study (a smaller scale EIA). This Regulation also provides a screening process to evaluate activities that are not listed or specified in the Regulation, to decide if such activities will require AMDAL or UKL-UPL.
15.	Minister of the Environment Regulation No. 09 Year 2011	<b>General Guidelines for Strategic Environmental Assessments.</b> This regulation contains references for implementing strategic environmental assessments for policy, plans, and/or program makers, in sectoral as well as regional contexts.

No.	Regulations	Theme and General Objective
16.	Minister of the Environment Regulation No. 16 Year 2012	<b>Guidelines for Preparation of Environmental Documents.</b> This regulation contains references for drafting environmental documents in the form of Environmental Impact Assessments (AMDAL), Environmental Management Efforts and Environmental Monitoring Efforts (UKL-UPL), or Statement of Environmental Management and Monitoring Capability.
17.	Minister of the Environment Regulation No. 17 Year 2012	<b>Guidelines for Public Participation in the Environmental Impact Assessment and Environmental Permit Process.</b> This regulation contains references in implementing public participation in Environmental Impact Assessment and Environmental Permit Process. The regulation stipulates the requirement to carry out public consultation as part of the process for preparation of AMDAL (full EA - twice) and UKL-UPL (Partial EA - once).
17.	Ministry of Home Affairs Regulation No. 67 Year 2012	<b>Guidelines for Implementation of Strategic Environmental Assessments in the Preparation or Evaluation of Regional Development Plans.</b> This regulation outlines the process of creating and implementing the Strategic Environmental Assessment (KLHS) which is conducted during the preparation and evaluation of Regional Long Term Development Plans (RPJPD); Regional Medium Term Development Plans (RPJMD); and/or policy, plan, and/or program that potentially inflict environmental impact and/or risk as the consequence of the Strategic Plan of the Regional Work Units in the local governments.
18.	Regulation of the Ministry of Public Works No. 10/PRT/M/2008 concerning the Type of Business and/or Project Activity under Public Works which Require Environmental Management Plan (UKL) and Environmental Monitoring Plan (UPL) Documents	The regulation defines for public works activities for which AMDAL is not required the types and thresholds of the projects for which it is mandatory to prepare the UKL-UPL documents.
19.	Guidelines for Environmental Management No. 08, 09, 10 and 11 of Year 2009 issued by DG of Highways, Ministry of Public Works	Ministry of Public Works provides guidance for project proponents to prepare the necessary environmental management plans and related documents.

No.	Regulations	Theme and General Objective
20.	Local Regulation of West Lombok No. 3 Year 2013	<b>Protection and Management of the Environment.</b> This regulation covers the detail of the duty and authority of local government; environmental management plan; utilization of natural resources; pollution control and/or destruction to the environment; preservation of the environment; hazardous waste management; rights, obligations, and prohibitions on the environment; environmental information system; communities' role; environmental quality monitoring; supervision and coaching; administrative sanctions; environmental dispute resolution; investigation; criminal provisions; funding; and, transitional provisions.

#### LAWS AND REGULATIONS ON LAND ACQUISITION AND RESETTLEMENT

10.	Law No. 2/2012	Land Acquisition for the Development of Public Infrastructure. This Law intends to accelerate land acquisition process for the infrastructure development for the public interest. It sets clearer the land acquisition process and requirements and their institutional arrangements in four steps: planning, preparation, implementation and hand over of the results.
3.	Presidential Regulation No. 40/2014 on the changes of the Presidential Regulation No. 71/2012	The Presidential Regulation No. 40/2014 specifies the funding sources for operational and supporting costs for the implementation of land acquisition for the assigned SOEs and for the upstream oil and gas public infrastructure; increase the size of small scale land acquisition from 1 Ha to 5 Ha.
3.	Presidential Regulation No. 40/2014 on the Changes of the Presidential Regulation No. 71/2012	The Presidential Regulation No. 40/2014 specifies the funding sources for operational and supporting costs for the implementation of land acquisition for the assigned SOEs and for the upstream oil and gas public infrastructure; increase the size of small scale land acquisition from 1 Ha to 5 Ha.
4.	Presidential Regulation No. 99/2014 on the Second Changes of the Presidential Regulation No. 71/2012	The Presidential Regulation No. 99/2014 specifies in more detail the determination of compensation, the procedures of hiring or selection of the appraisal services, the expanded timing for giving the compensation from 7 to 14 days after the validation from the head of the land acquisition implementation team is received by the agency who needs the land. This regulation outlines the process and requirements for the incomplete land acquisition after end of December 2014 that can be extended until end of December 2015.
5.	Presidential Regulation No. 30/2015 on the Third Changes of the Presidential Regulation No. 71/2012	The Presidential Regulation No. 30/2015 allows the business entities who obtained authorities/powers based on agreements with national institutions, ministries, non-ministerial institutions, provincial, district or city, and SOEs who are specifically assigned by the central government to provide infrastructure of the public interests. Further, this regulation allows the business entities who act on behalf of those parties who need the land to pre-finance land acquisition, which will be reimbursed by the concerned agencies/ministries after land acquisition process is completed. This regulation specifies in more detail the process and requirements for the incomplete land acquisition after end of December 2014 (that can be extended until end of December 2015) in relation to the determination of development location.

No.	Regulations	Theme and General Objective
6.	Presidential Regulation No. 148/2015 on the Fourth Changes of the Presidential Regulation No. 71/2012	This regulation stipulates among other the institutions who will be responsible for or assigned for land acquisition for infrastructure development for public interests. This regulation shortens the length of time of the preparation and implementation for land acquisition, submission of the results of land acquisition. It also regulates the small-scale land acquisition up to 5 Ha and streamlines the procedures (no need to obtain determination of development location letter, and utilize the appraiser's service for defining compensation).
7.	Presidential Regulation No. 102/2016 on the Financing Land Acquisition for Development the National Strategic Projects for Public Interests	This regulation stipulates the process and procedures of land acquisition for the national strategic projects (as stipulated in the Presidential Regulation No. 3/2016). It covers procedures and requirements for funding land acquisition for national strategic projects that will be implemented by ministries and/or SOEs. This regulation allows the pre-financing for land acquisition by business entities (SOEs or private business entities) who have been assigned by ministries to build infrastructure for public interests. The regulation also contains the procedures and requirements of pre-financing and reimbursement of the compensation that has been paid by the business entities.
8.	Presidential Regulation No. 56/2017 on Handling Social Impact in Land Acquisition for the National Strategic Projects (as specified in the Perpres 3/2016 and its update the Perpres 59/2007).	This regulation stipulates that the Government will handle the social impacts on the occupants of land owned by the Government (national, provincial and district/city), state-owned enterprise, and local-government enterprise that will be used for the national strategic projects. The regulation specifies the criteria of such occupants (have ID cards endorsed by sub-district and do not have rights on the land; have physically controlled and used the land continuously for 10 years, and have controlled and used land with good intention openly, not contested and recognized and proven true by the land owner(s) and/or head of village); coverage of compensation (costs for dismantling houses, mobilization, house rents and support for income loss). The regulation requires the land owners to prepare a Social Impact Handling Plan (SIHP) to be submitted to the Governor, who will then establish an Integrated Team to make an inventory and verify the occupants and the occupied land; assign independent party to calculate the compensation; facilitate issues; recommend the list of occupants eligible for compensation, amount of compensation based on the calculation of the independent party, mechanism and procedures to give the compensation to the occupants; and control the implementation of the delivery of the compensation. The Integrated Team consists of various government officials from province and district/city and land owners. Based on the recommendation from the Integrated Team, the Governor will establish the list of eligible occupants for compensation; amount of compensation and mechanism and procedures to give the compensation. The regulation also specifies that the land owner(s) should provide the financing for the compensation and the compensated occupants should move out from the land maximum in seven days after the compensation is received.
9.	Regulation of the Minister of the National Land Agency No. 5/2012 on the Technical Guidelines	Since its issuance, this regulation has been amended twice, i.e., by the Regulations of the Minister of Spatial Development/National Land Agency No. 6/2015 and No. 22/2015. It specifies in detail the preparation of the

No.	Regulations	Theme and General Objective
	for Implementing Land Acquisition	implementation that includes: inventory and identification of the affected land, determination of appraisal services and task of appraisers, discussions/negotiations on the forms and values of compensation values, compensation payment or provision in the case the compensation is in the form of non-cash, process and procedures in providing compensation in special circumstances, custody of compensation/consignment, release of objects of land acquisition, documentation of field map, nominative lists and administrative data. It also specifies the submission of results of the land acquisition; the taking of the consignment; monitoring and evaluation; financing land acquisition; small-scale land acquisition; coordination or the implementation of land acquisition; and transitional provisions. This regulation is accompanied by a set of various formats as annexes.
10.	Regulation of the Minister of Spatial Development/National Land Agency No. 6/2015 on the Changes of the Regulation of the Minister of the National Land Agency No. 5/2012	<p>This regulation amended the Regulation of the Minister of the National Land Agency No. 5/2012. This regulation elaborates the amendments of the Presidential Regulation No. 71/2012 as specified in the Presidential Regulation No. 40/2014, Presidential Regulation No. 99/2014, and Presidential Regulation No. 30/2015. This regulation specifies that land management rights could be given to the national institutions, ministries, non-ministerial institutions, provincial, district or city, and SOEs who are assigned by the central government to cooperate with business entities. Business entities who has the agreements with one of these institutions could be given building rights or use rights. Moreover, this regulation also explains that the land acquisition funds is included in the budget document (DIPA) of the government institutions or budget of the SOEs.</p> <p>This regulation also stipulates the processes and procedures of small-scale land acquisition for an area up to 5 Ha and land acquisition for infrastructure that are not for public interests. Further, this regulation contains process, procedures and requirements on the incomplete land acquisition but has obtained Determination of Development Location Letter. This includes the requirements to apply the compensation level that is assessed by the land appraisers as specified in the Law 2/2012 for the land that had been assessed under the requirements of the previous regulations with lower compensation level.</p>
11.	Regulation of the Minister of Spatial Development / National Land Agency No. 22/2015 on the Second Changes of the Regulation of the Minister of the National Land Agency No. 5/2012	<p>This regulation amended the Regulation of the Minister of the National Land Agency No. 5/2012 that elaborated the amendments of the Presidential Regulation No. 71/2012 as specified in the Presidential Regulation No. 30/2015. It specifies that the business entities who act on behalf of the agencies/ministries, provincial/district/city governments and SOEs who has been assigned by the Government to acquire land, can pre-finance land acquisition, which will be reimbursed by the concerned agencies/ministries/ and local governments through APBN/APBD after land acquisition process is completed. The funds can be obtained through a special account mechanisms.</p>
<b>LAWS AND REGULATIONS RELEVANT TO INDIGENOUS PEOPLES</b>		
1.	Law No. 5/1960	Agrarian Basic Principles. This Law defines the fundamental types of rights that may be held by private individuals and entities. This Law describes the roles of the state with regard to its direct use of land as well as its regulation of private rights and private

No.	Regulations	Theme and General Objective
		uses of land. This Indonesia's agrarian law recognizes " <i>adat</i> " law, or Indonesia customary law, as long as it does not conflict with the national interest or other regulations set out in this Law.
2.	Law No. 41/1999 on Forestry, which has been amended through Law No. 19/2004.	Article 1 point 6 of Law No. 41 Year 1999 on Forestry has been changed by the Constitutional Court Decision No. 35/PUU-X/2012 and has now become "customary forest is a forest located within the area of an indigenous community." Before, the word "state" was in the article. With the elimination of the word "state" from the definition, now it is understood that customary or <i>adat</i> forests are now no longer a state forest.
3.	Village Law No. 6/2014	This Law acknowledges the existence and rights of <i>Masyarakat Hukum Adat</i> (MHA), provided that they are recognized and MHA could opt to established <i>adat</i> villages with their own institutional structures and authority although this law suffers from the lack of guiding regulations and institutional mandates to make such provisions operational. The Law grants a <i>desa adat</i> the authority to conduct <i>adat</i> -based public administration. Compared to other laws, the law adopts optional, non-cumulative criteria for recognition of MHAs with the existence of territory being mandatory.
4.	Law No. 27/2007 on Coastal Zone and Small Island Management, changed into Law No.1/2014	Law No. 27/2007 acknowledge MA, and Law No.1/2014 changed the term MA to MHA with clearer definition. Both Laws acknowledge the existence of MHA (previously called MA) provided they are recognized and requires consultations with MHA for any development in coastal areas. These laws stipulate specific provisions on public consultations for the development of coastal management plans. Such consultations stress the needs for accuracy, transparency, and access to information. Conflict resolution can be handled through customary ways.
5.	Law No. 23/2014 on Local Government	This Law recognizes the existence of <i>adat</i> institution ( <i>lembaga adat</i> ) by giving it rights to "empowerment". Second, the Law determines that <i>adat</i> law is an additional rule for particular purposes such as village elections. Third, the Law makes <i>adat</i> or <i>adat</i> law the basis upon which to conduct local development, or as a parameter to measure social cohesiveness.
6.	Law No. 11/2010 on Cultural Heritage	This Law recognizes MHA as the owners of their cultural heritage and grants them the authority to manage it. The law requires observation and data collection on cultural heritage that may be affected by project activities.
7.	Regulation of Ministry of Forestry No. P.39/Menhut-II/2013 on Local Community Empowerment Through Forest Partnership	Empowerment through Forest Partnership is an effort to enhance local communities' capabilities and autonomy to benefit from forest resources in an optimal and equitable way to increase the welfare of local communities. This regulation requires forest concession holders to engage in partnership with communities based on the principles of mutual agreement, participation, transparency, and trust. Such benefit sharing schemes may include smallholder plantations, livelihood activities, training, facilitation, etc. However, for these communities to be able to engage in the schemes, they need to provide valid proof of identification (ID card, or reference letter from the village head) and reside within the concession areas, demonstrate reliance on natural resources, and have capacity to engage in productive and sustainable activities.
8.	Regulation of the Minister of Spatial Development /	This regulation contains the procedures for the determination and transitional provisions for communal land rights of MHA and local



No.	Regulations	Theme and General Objective
	National Land Agency No. 9/2015 on the Procedures for Determination of Communal Land Rights of MHA and Communities Located in a Specific Area	communities located in a specific area. It stipulates the requirements and criteria for confirming the MHA's communal land rights and community's land rights, outlines the procedures and requirements to apply for the land rights for MHA and community who lives in the specific area, identification, verification and field check, and reporting and determination of communal land rights as well as requirements for the MHA and the communities in the specific areas to manage the land that has been given rights.
9.	MOHA Regulation No. 52/2014 on the Guidelines for Recognizing and Protecting MHA	This regulation contains the guidelines for protecting indigenous groups, starting from the formation of the committee, the stages of recognition and protection, dispute resolution, guidance and supervision, as well as its funding.

### 4.3 GAP ASSESSMENT AND MEASURES TO ADDRESS IDENTIFIED GAPS

49. The activities in the Project need to comply with both Indonesian laws and regulations and World Bank safeguards policies. One goal of the ESMF is that all safeguards documents prepared for Component 1 investments will meet both sets of requirements. The ITMPs need to incorporate the Bank OPs, and, the TORs for them (Appendix 1) explain how this is to be done. Table 9 below summarizes a comparison focusing only on the World Bank policies that might be relevant to the Project, including for the preparation of the ITMPs (including DDPs) and Sectoral Plans. Most of the differences are related to inconsistent adherence to Indonesian laws and regulations in the preparation and implementation of UKL-UPL and AMDAL, and this relates to limited technical and institutional capacity to prepare and implement UKL-UPL and AMDAL; the differences between the Indonesian laws and regulations and the Bank OPs applicable to this Project have been assessed. Table 7 provides the measures in the ESMF to address World Bank safeguards policy requirements that are not covered by Indonesia laws and regulations and their implementation. The Project itself triggers several World Bank Safeguard policies including OP4.01 on Environmental Assessment, OP 4.04 on Natural Habitats, OP 4.11 on Physical Cultural Resources, OP 4.36 on Forest, OP 4.12 on Involuntary Resettlement and OP 4.10 on Indigenous Peoples. The ESMF requires that Project outputs, particularly the ITMPs, be compliant with all relevant Bank safeguards policies, as listed the Comparison Table below.

Table 9: Gap Analysis for Environmental and Social Safeguards

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
<b>OP 4.01 Environmental Analysis</b>				
Reference to legal and administrative framework such as international environmental treaties, agreement, international standard policies etc.	OP 4.01 paragraph 3 OP 4.01 EA takes into account obligations of the country, pertaining to project activities under relevant international treaties or agreement.	Ministry of Environment Regulation No. 16/2012 section G.5 and B.4.a, stipulated that other data and information required in reporting UKL-UPL shall be incorporated including reference to other requirements.	Lack of reference to legal and administrative framework such as international environmental treaties, agreement, international standard policies etc. The current regulation only refers to “other data and information”.	The subproject ESMP/UKL-UPL (and ESIA/AMDAL if required) will cover this shortage, as shown in templates in Appendix 2.
Project Area of Influence.	OP 4.01 paragraph 2 OP 4.01 <i>EA evaluates a project's potential environmental risks and impacts in its area of influence, identifies ways of improving project selection and sitting etc.</i>	Ministry of Environment Regulation No. 16/2012 section B.4.c, requested project proponent to provide information in detail on this aspect with “ <i>map, scale of operation and activities component</i> ” that could be used to determine the project area of influence, availability of ancillary facilities and associated facilities during UKL UPL preparation as good practice. However, it does not address the project's area of influence outside the project's footprints.	Lack of analysis about project area of influence, ancillary facilities, induced impacts and site selection analysis for activities require UKL-UPL.	The subproject ESMP/UKL-UPL (and ESIA/AMDAL if required) will cover the project area of influence, as shown in templates in Appendix 2.
Environmental Impact Screening	OP 4.01 paragraph 8 OP 4.01 <i>Environmental screening of each proposed project to determine the appropriate extent and type of EA.</i>	Ministry of Environment Regulation No. 16/2012 section 4.C regulates the requirement to evaluate all possible impacts from the project and prepare mitigation measures to tackle those issues.  Ministry of Public Works Regulation No. 18/PRT/M/2007 about Water	Environmental screening based on technical thresholds only will result in inappropriate extent and type of EA.	The screening procedure in this ESMF (see Chapter 5) includes environmental impact screening and scoping.

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
		Supply System Development- Appendix 2 about Guidelines for Feasibility Study Preparation. However, further screening based on significant environmental impact evaluation is not clearly stated.		
Environmental Monitoring Data	OP 4.01 <i>Environmental monitoring data to evaluate the success of mitigation and to foster corrective actions.</i>	Ministry of Environment Regulation No. 16/2012 section C.3 clearly regulates the requirement for data monitoring of UKL-UPL.	Insufficient follow up, analysis, use of environmental monitoring data for evaluation and continual improvement. The environmental monitoring program is not sufficient or is not corresponding to the scale of the impact of the project.	This is addressed in the EMP and UPL implementation reports and possibly in the form of MIS of the Project as discussed in Chapter 6.
Capacity Development and Training.	OP 4.01 Paragraph 13 <i>(When the borrower has inadequate technical capacity to carry out environmental safeguards management functions, the project includes components to strengthen that capacity).</i>  OP 4.01 Paragraph 4 <i>(Technical Assistance program for EMP implementation)</i>	Not covered.	Insufficient capacity development and training for EMP implementation	This is addressed in Chapter 6 of this ESMF and in Component 4 of the Project.
Institutional Arrangements.  Institutions responsible for environmental	OP 4.01 Para 4 and 5. <i>(EMP must provide specific description of institutional arrangement and implementation schedule)</i>	Ministry of Environment Regulation No. 16/2012 section C.4 clearly regulates the institutional arrangement for UKL UPL implementation, monitoring and reporting. Also the frequency and	No gaps identified.	NA

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
management and ESMP implementation	<i>for mitigatory and monitoring measures)</i>	detail location of monitoring and implementation effort (section C.3).		
Cost estimate of EMP to ensure “the adequacy of financing arrangements for EMP”.	OP 4.01 Paragraph 5. <i>(EMP provides the capital and recurrent cost estimates and source of fund for EMP implementation).</i>	MPW Guidelines No. 08/BM/2009 page 50 clearly specifies budget allocation for UKL UPL studies that shall include the cost for personnel, equipment, materials, field survey, laboratory analysis and report preparation etc.	No gaps identified.	NA
Public Consultation.	OP 4.01- paragraph14 <i>Consulted with project affected groups and CSO during preparation and implementation</i>  OP 4.01 (Annex B) <i>(For AMDAL but the gap analysis for UKL UPL is also useful as good practice)</i>  Consultation requirements are less clearly specified in the UKL UPL preparation especially during project implementation	Ministry of Environment Regulation no 17/2012 about The Guidelines for Public Involvement in Environmental Assessment and Environmental Permitting Process, including UKL UPL document.  Ministry of Environment Regulation No. 16/2012 section C.4 clearly regulates regular reporting requirement for UKL UPL implementation (every 6 month)  MPWH Guidelines no 09/BM/2009 <u>section 4.1.3</u> about Public Consultation.  Ministry of Public Works Regulation No. 18/PRT/M/2007 about Water Supply System Development- in article 4 (6), article 10, and Appendix 1 section 6.5 regulates for a 3 times public consultations within 12 months for master plan development involving NGO, academician and	No gaps identified.	NA

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
		local communities. Also in Appendix 2 during the preparation of Feasibility Study.		
Public Disclosure.	OP 4.01--Paragraph 15. <i>(Timely disclosure and understandable document in local language.)</i>	Not covered in the Ministry of Environmental Regulations but stipulated in the Ministry of Communication and Information.	Public Disclosure is not covered in the Ministry of Environmental Regulations.	This is addressed in Chapter 8 of this ESMF.
<b>OP 4.12 Involuntary Resettlement</b>				
Direct Impacts.	Covers provision of benefits to address direct social and economic impacts caused by the involuntary restrictions of access to legally designated parks and protected areas resulting in adverse impacts on livelihoods	Relates to compensation for loss of land and assets also other losses that can be caused by taking of land for a project. Once fair compensation given, further consideration and impact mitigation are not elaborated.	Adverse social and economic impacts due to access restriction is not explicitly covered under the Law 2/2012 on Land Acquisition for Public Infrastructure.	ESMF includes a Process Framework (Appendix 3) to address impacts due to access restrictions.
Indirect impacts.	States that indirect social and economic impacts caused by project should be addressed under OP 4.01	Not covered, however indirect impact regulated in Law No. 23 of 1997 on Environmental Management (AMDAL/ESIA)	Indirect impacts are not covered in the Law 2/2012 on Land Acquisition for Public Infrastructure.	It will be covered in the UKL-UPL as shown in the template in Appendix 2.
Linked activities.	Covers impacts that result from other activities if they are (i) directly and significantly related to the proposed project; (ii) necessary to achieve its objectives; and (iii) carried out or planned to be carried out contemporaneously with the project	Not covered	Linked activities are not covered.	It is addressed in the LARPF (see Chapter 5 of this ESMF)
Host Communities.	Impacts on host communities need to be considered, and host	Not covered since option of resettlement/relocation is not sufficiently elaborated.	Host communities are not explicitly covered in the Law	This is addressed in the LARPF as shown in the template in Appendix 4.

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
	communities need to be consulted.		2/2012 on Land Acquisition for Public Infrastructure.	
Resettlement as Sustainable Development Program.	Resettlement activities should be conceived as sustainable development programs, providing sufficient resources to enable persons displaced to share in project benefits.	The law and regulations provide options for compensation for land acquisition due to the development for public interests. Compensation level is defined based on the assessment carried out by the licensed, independent appraisers. See compensation options in this Table 14 and Table 15 below.	The implementation of other forms of compensation outside cash compensation are not elaborated in the law and regulations.	LARPF provides options for compensation and entitlements.
Vulnerable Groups.	Pay particular attention to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, Indigenous Peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.	PAPs and eligibility criteria for compensation are not differentiated by vulnerability or gender.	No specific separation by vulnerability or by gender.	The LARAP required information on the vulnerable groups (women, very poor, disable, etc and this will be obtained from the census survey
Resettlement Planning Instruments.	Different planning instruments must be prepared to achieve the objectives of the policy	Land acquisition plan <sup>20</sup> is prepared by the Land Acquisition Team based on a feasibility study, a subproject <sup>21</sup> should comply with 22 should	The Land Acquisition Plan does not fully cover elements and details of those in the LARAP. Timing of the	Requirement to prepare a LARAP at the planning stage in compliance with the LARPF in this ESMF.

<sup>20</sup> Not the same as World Bank LARAP/RP, here is more implementation procedure than development plan.

<sup>21</sup> The proposed project should follow the spatial development plan. If not, the project location has to move to other place or, the spatial development plan should be revised by the local government, the revised spatial development plan should be approved by the local parliament. Revision of the Plan should be issued by the local parliament proposed by the relevant government institution

<sup>22</sup> At present the spatial-planning zoning could accommodate the function that proposed by the project. If not the project has to move to other place or revision of zoning should be issued by the local parliament proposed by the relevant government institution



Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
	(resettlement plan, resettlement policy framework or process framework) and must cover all aspects of the proposed resettlement.	comply with the spatial development plan	preparation of the Land Acquisition Plan with results of inventory of affected land plots should be advanced to the planning stage.	
Eligibility for PAPs without legal rights of the land they occupy.	For those without formal legal rights to lands or claims to such land that could be recognized under the laws of the country, provide resettlement assistance in lieu of compensation for land to help improve or at least restore their livelihoods. Will covers squatters and encroachers	Does not cover squatters (unless in good faith on public land), encroachers and renters on private land. This issue is addressed by the Presidential Regulation (Perpres) 56/2017 on Handling for Social Impacts in Land Acquisition for the National Strategic Projects <sup>23</sup> . This regulation was issued on May 31, 2017. It provides a legal basis to compensate squatters (those who occupy land that belonged to other parties, in this case, the Government). This regulation has addressed the concern of squatters	Commonly, compensation only for the affected structure, but with the Perpres 56/2017 they are entitled for some compensation not only for the affected structures and some assistance.	The LARPF specified the eligibility criteria and entitlement for each category of PAPs, including the informal occupiers.

<sup>23</sup> Presidential Regulation No. 56/2017 on the Handling Social Impact in Land Acquisition for the National Strategic Projects (as specified in the Perpres 3/2016 and its update Perpres 59/2007). This regulation stipulates that the Government will handle the social impacts on the occupants of land owned by the Government (national, provincial and district/city), state-owned enterprise, and local-government enterprise that will be used for the national strategic projects. The regulation specifies the criteria of such occupants (have ID cards endorsed by sub-district and do not have rights on the land; have physically controlled and used the land continuously for 10 years, and have controlled and used land with good intention openly, not contested and recognized and proven true by the land owners and/or head of village); coverage of compensation (costs for dismantling houses, mobilization, house rents and support for income loss). The regulation requires the land owners to prepare a Social Impact Handling Plan (SIHP) to be submitted to the Governor, who will then establish an Integrated Team to make an inventory and verify the occupants and the occupied land; assign independent party to calculate the compensation; facilitate issues; recommend the list of occupants eligible for compensation, amount of compensation based on the calculation of the independent party, mechanism and procedures to give the compensation to the occupants; and control the implementation of the delivery of the compensation. The Integrated Team consists of various government officials from province and district/city and land owners. Based on the recommendation from the Integrated Team, the Governor will establish the list of eligible occupants for compensation; amount of compensation and mechanism and procedures to give the compensation. The regulation also specifies that the land owners should provide the financing for the compensation and the compensated occupants should move out from the land maximum in seven days after the compensation is received.

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
		<p>for not being eligible for any compensation.</p> <p>Currently the Ministry of ATR/BPN is preparing a Technical Guidelines for Preparing a Land Acquisition Plan<sup>24</sup>, which covers among other various approach to compensate informal settlers, sharecroppers or those who do not have land.</p> <p>Land less and laborers are not expected to be compensated and provided rehabilitation measured; it is the responsibility of the landowner to compensate them.</p>		
Eligibility for Indigenous Peoples.	OP 4.12 applies to PAPs as a result of the involuntary land taking and/or access restriction to legally designated parks and protected areas	<p>IPs is covered once they have been legally recognized.<sup>25</sup></p> <p>Law 39/1999 article 6 on Human Rights requires that the differences and needs of <i>MHA</i> should be noticed and protected by law, community and government. Their identity including customary land rights should be protected in harmony with the current development.</p>	<p>Law 2/2012 does not specify any groups including IPs. This law applies to any affected persons due to the land taking for infrastructure development for the public interests.</p> <p>Law 39/1999 article 6 requires that in the context of enforcement of human rights, <i>MHA</i> including their customary land rights should be protected in harmony with the current development.</p>	IPPF specifies that if a subproject needs to acquire land, LARPF applies.

<sup>24</sup> This initiative is supported by ADB Technical Assistance

<sup>25</sup> In BPN and Forestry Regulations IP institution should be recognized by local government, while institutions that in favor of IPs prefer that the recognition comes from independent IPs Committee.

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
Land for Land	Preference for land-to land compensation for the displaced people whose livelihoods are land based.	Law 2/2012 provides options for land to land compensation, but no detail procedures to implement this resettlement scheme		LARPF provides compensation option including land to land compensation.
Compensation options	Provide technically and economically feasible resettlement alternatives and needed assistance, including (a) prompt compensation at full replacement cost for loss of assets attributable to the project; (b) if there is relocation, assistance during relocation, and residential housing, or housing sites, or agricultural sites of equivalent productive potential, as required; (c) transitional support and development assistance, such as land preparation, credit facilities, training or job opportunities as required, in addition to compensation measures; (d) cash compensation for land when the impact of land acquisition on livelihoods is minor; and (e) provision of civic infrastructure and community services as required.	<p>Law 2/2012 provide options for compensation. The MAPPI (Association of Appraisers)'s guideline determine compensation based on market price plus transaction and other costs, plus premium (to cover beyond valuation cost such as emotional lost).</p> <ul style="list-style-type: none"> <li>• Property (Physical Assets) <ul style="list-style-type: none"> <li>✓ Land</li> <li>✓ Buildings &amp; Facilities</li> <li>✓ Plants</li> <li>✓ Other things related to the land required to restore to the owner a property of at least the same quality as that owned prior to the land acquisition.</li> </ul> </li> <li>• Cost &amp; Loss (Non-Physical Losses) <ul style="list-style-type: none"> <li>✓ Transaction costs</li> <li>✓ Moving costs</li> <li>✓ Loss of on-going business (business interruption)</li> <li>✓ Other losses of special nature, subjective and difficult to calculate</li> </ul> </li> <li>• Premium</li> </ul>		LARPF provides requirements for compensation options, eligibility criteria, and entitlement for various PAPs categories.

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
Full Replacement Cost.	Requirement for compensation for land and asset to be at full replacement cost	“Fair and reasonable”, based on value assessment made by the licensed, independent appraisers. See above on compensation options and MAPPI’s criteria for determining compensation.		The licensed, independent appraisers assess costs and loss of physical assets, non-physical assets and premium
Livelihood Restoration.	The resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are: (i) Offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements; and (ii) Provided with development assistance in addition to compensation measures described in paragraph 6 (a) (iii), such as land preparation, credit facilities, training, or job opportunities.	Once fair compensation given further consideration and impact mitigation are not elaborated.	The Law 2/2012 and its implementing regulations do not elaborate the option and implementation of assistance and livelihood restoration.	LARPF included resettlement assistance and livelihood restoration.
Indigenous Peoples.	Land of Indigenous Peoples is addressed in both OP 4.12 and OP 4.10. If land of IPs is to be taken, requires	Affected land that privately/individually belongs to Indigenous Peoples is treated in the same way as common people.	Law 2/2012 and its implementing regulations do not differentiate PAPs into groups, origin, or race, etc.	LARPF applies of a subproject involve land acquisition and/or resettlement, regardless of who own the land. Consultation as

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
	broad community support and FPIC.			specified in the LARPF and LARAP should be tailored to the local context and the characteristics of the affected persons (in the case of IPs, it should adopt the FPIC that lead to broad community support).
Resettlement Costs	The full costs of land acquisition and/or resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project.	The land acquisition plan includes cost estimation.	Although Law 2/2012 requires the land acquisition plan to include estimated costs for land acquisition and/or resettlement, but usually it does not include the costs for providing assistance and livelihood restorations. Cost estimation and proposal for budget allocation are carried out at the planning stage, whereby detail surveys for each land plots and measurement are carried out during the implementation stage of land acquisition.	LARPF and LARAP require that estimated costs for land acquisition and/or resettlement is budgeted based on the social economic survey/census, including the affected assets.
Consultation and Complaint Procedures	Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs Grievance mechanisms should take into account the availability of judicial recourses and community	Consultations to the PAPs are needed to get permit for the proposed location of the project, for defining forms of compensation. The law and regulations stipulates that process of consultations are carried out with dialogue approach. Negotiations are carried out to agree on the compensation level. The mechanisms to complain due to the disagreement on the compensation is elaborated in the Law 2/2012 and		LARAP specifies the requirement of monitoring of the implementation of land acquisition and resettlement activities. The Project is required to monitor and report the preparation and implementation of LARAP (and EMPs and IPPs as well)

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
	and traditional dispute settlement mechanism	its implementing regulations, including how and where to file complaints, timing for responses, and judicial procedures.		
Monitoring of outcomes.	Requirement to carry out adequate monitoring and evaluation of all activities set out in the resettlement plan. Assess whether the objectives of the resettlement instrument have been achieved, upon completion of the project, taking account of the baseline conditions and the results of resettlement monitoring			LARAP specifies the requirement of monitoring of the implementation of land acquisition and resettlement activities. The Project is required to monitor and report the preparation and implementation of LARAP (and EMPs and IPPs as well)
<b>Indigenous Peoples (IPs)</b>				
Identification of Indigenous Peoples presence  Identification of affected IPs, potential impacts and measures to address impacts	Recognition and identification of IPs presence as per criteria specified in OP 4.10  Undertake FPIC if IPs are potentially affected (positively or negatively), to determine whether there is broad community support for the Project activities.	Indonesia has national and sectoral laws and regulations that are relevant to and recognize and respect “ <i>Masyarakat Adat</i> ” (MA), or “ <i>Masyarakat Hukum Adat</i> ” (MHA), or “ <i>Masyarakat Tradisional</i> ” (MT) who are Indigenous Peoples as per criteria used in the OP 4.10 on Indigenous Peoples (IPs). Both the amendment of the Constitution 1945 and the Basic Agrarian Law (BAL No.5 Year 1960) stipulate that the State recognizes and respects MHA and its traditional rights as long as they are still in existence and in	The process to obtain legal recognition is cumbersome, bureaucratic, and in some cases, political.  The extent of such conditionality for recognition of IP's existence (cumulative or optional) and forms of legal recognition vary across regulations.  Screening does not specify gender analysis however it provides an opportunity for gender analysis if necessary	IPPF provides criteria for identifying Indigenous Peoples as specified in OP 4.10. It also specifies the screening, preparation for social assessment (SA), and procedures and requirements to prepare an Indigenous Peoples Plan (IPP) to address the potential impacts of a subproject identified in the social assessment. See below that for identifying affected IPs and preparing SA and IPP, the subproject proponent should use the FPIC that lead to broad



Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
		<p>accordance with the development of the society and the State unity as regulated in the laws; cultural identity and rights of traditional community are respected in accordance with the development of civilization. With these provisions, the BAL recognizes "<i>hak ulayat</i>" (customary rights) of MHA.</p> <p>Various sectoral laws provide articles that recognize the existence of IPs, respect and promote the empowerment and participation of IPs, and provide access to benefit from the natural resources</p> <p>Other laws and regulations pertaining regional local governments and development planning also have provisions on IPs.</p> <p>However, these regulations point out that IPs' rights would be recognized and respected as long as the IPs concerned have fulfilled the determined conditions of the constitutional recognition, such as existence, conformity to national development visions and civilization, to the national interest, and the principles of the unitary state. Such conditionality is further translated into criteria such as the existence or presence of in-group feeling, traditional territory, <i>adat</i> rules and organization in order to obtain legal</p>	<p>as indicated in the scope or area that can be covered in other studies if required.</p> <p>Regulations on AMDAL and UKL-UPL do not explicitly require the screening on IPs and social assessment on affected IPs. They also do not require to prepare an IPP if IPs are affected by a physical investment.</p> <p>No explicit requirements to carry out social assessment for the affected IPs and to prepare IPP to address potential impacts (positive and negative)</p>	<p>community support. This ESMF provides the Bank's IPs Screening (2010) tool for the Project to carry out initial screening (Appendix 8), but the results should be verified at the subproject sites.</p>

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
		recognition from respective district/provincial governments.		
Free, Prior, Informed Consultation (FPIC) that lead to broad community support	OP 4.10 requires FPIC that lead to broad community support during the Social Assessment, Preparation and implementation of the IPP.	Various sectoral laws and regulations (see Chapter 5.3) also require empowerment and participation of IPs. For instance, Law No. 27 Year 2007 on Coastal Zone and Small Island Management, stipulates specific provisions on public consultations for the development of coastal management plans. In the forestry sector, provisions of FPIC are not explicitly specified in the Law No. 41 Year 1999 on Forestry and its guiding ministerial regulations. However, standards for such consultations are available in the General Director of Forestry Business Units' Directive No. P.14/VI-BPPHH/2014 on Standards and Guidelines for Performance Assessment in Sustainable Production Forest Management and Timber Legal Verification.	Although some laws and regulations contain provisions for empowerment and participation of IPs, they do not specify the requirements of obtaining broad community support through the FPIC. There is a need under this Project to develop a specific guidelines or protocols for FPIC that lead to broad community support to avoid multiple interpretations.	IPPF and IPP provide guidelines or protocols for FPIC that lead to broad community support to be used for identifying the affected IPs and for preparing SA and IPP. The guidelines or protocols need to be expanded by the Project as part of the Project Operations Manual.
Access to manage natural resources and opportunities to benefit sharing	Promote that the Indigenous Peoples can participate in devising opportunities to benefit from exploitation of customary resources or indigenous knowledge, the latter (indigenous knowledge) to include the agreement of the Indigenous Peoples	Various laws and regulations (refer to Section 4.2) stipulate that MA, MHA or MT have the rights to access and manage the natural resources and to benefit from the development.	Principles, procedures, requirements and various possible options for these rights have to be developed.	The ESMF provides guidance for benefit sharing (Appendix 3). This guidance should be elaborated in the Project Operations Manual.

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
	ensure that the Indigenous Peoples can participate in devising opportunities to benefit from exploitation of customary resources or indigenous knowledge, the latter (indigenous knowledge) to include the agreement of the Indigenous Peoples ensure that the Indigenous Peoples can participate in devising opportunities to benefit from exploitation of customary resources or indigenous knowledge, the latter (indigenous knowledge) to include the agreement of the Indigenous Peoples			
<b>Natural Habitat and Forests</b>				
Conservation of biodiversity, preservation of natural habitat and forests.	Bank policy prohibits conversion of critical habitat and critical forest and gives restricts conversion of other natural habitat, giving preference for development on lands already converted.	<p>Ministry of Environment (MOE) regulation (<i>PermenLH</i>) No. 05 Year 2012 requires AMDAL for any business/activities in or directly adjacent to protected areas, including watersheds, protected forests, cultural preservation areas, ground water recharge areas, national parks, etc.</p> <p>Presidential Decree No. 32 Year 1990 stipulates that; (i) in protected areas, cultivation, which interferes with the environmental function of the protected area, is prohibited; and</p>	The screening process may not be responsive to the presence of natural habitats or cultural resources that do not have official protected status. The UKL-UPL (or AMDAL) documents only provide limited information on natural and/or critical habitats. Physical investments located in protected areas automatically require AMDAL, but Indonesian regulations do not prohibit or restrict activities that involve	ESMF requires that the prohibitions, procedures and restrictions in OP 4.04 and OP 4.36 are applied in ITMPs and sectoral plans as well as in design of investments.

Scope/Topic	Bank Policy	Government of Indonesia Regulation	Gaps Identified	Gap-Filling Measures
		(ii) in nature reserves and areas of cultural heritage, cultivation which alters the landscape, land use conditions, natural ecosystem, or environmental function of the nature reserves or cultural heritage, is prohibited.	conversion or degradation of critical natural habitats or natural habitats including critical forests.	
<b>Physical Cultural Resources (PCR)</b>				
Preservation of physical cultural resources	Bank policy is to avoid or minimize adverse impacts on PCR through screening, assessment, development of management plan where needed, and provision of chance finds procedures where there is risk of discovery of previously undiscovered PCR>	Presidential Decree No. 32 Year 1990 stipulates that in nature reserves and areas of cultural heritage, cultivation which alters the landscape, land use conditions, natural ecosystem, or environmental function of the nature reserves or cultural heritage, is prohibited. Law No. 11 Year 2010 on National Heritage ( <i>Undang-undang Cagar Budaya</i> ) focuses on the requirements for observation and data collection on and proper management of cultural heritage that may be affected by project activities. The chance finds procedures based on the law specify that finds are to be given immediate protection and reported to the local Institute of Archaeology, if one exists, or to the Department of Culture of the province or district. Construction work is not to recommence until permission is granted by one of those authorities.	UKL-UPLs (or AMDAL) do not consistently assess impacts on physical cultural resources and lack the planning and program required to conserve the resources. Physical investments rarely develop chance find protocols. Physical cultural heritage aspects of a physical investments are rarely discussed in public consultations required as part of the UKL-UPLs (or AMDAL) preparation stage.	ESMF requires assessment of impacts on PCR in ESMP/UKL-UPL and AMDAL. ESMF requires preparation of chance finds protocol for physical investments and provides a template in Appendix 5.

Safety of Dams				
Ensuring safe design and operation of dams	Bank policy calls for preparation of dam safety plans and establishment of an independent dam safety panel for large dams, and design of small dams by qualified civil engineer. The policy requires dam safety inspection of an existing dam when a Bank-supported project will depend on it.	There is no specific Indonesian legislation or regulation on dam safety.	No legislation or regulation on dam safety.	The Project is not expected to finance construction and/or rehabilitation of dams. If the ITMP or a Detailed Development Plan includes construction or rehabilitation of a water supply weir or improvement of a system that depends on an existing weir, the ESMF provides that RIDA will ensure that the requirements of OP 4.37 for small dams are complied with in design and operation, i.e., dam safety features including inspection and maintenance programs are designed by a qualified civil engineer.

## 5.0 ENVIRONMENTAL AND SOCIAL MANAGEMENT PROCEDURES AND INSTRUMENTS

50. This chapter presents procedures for assessing and managing environmental and social impacts.

51. Section 5.1 describes the procedures for ensuring that investments and other activities in Project components, 1, 2 3, and 4 (excluding the ITMPs and other plans) are assessed, designed, and implemented in compliance with the Indonesian laws and regulations and in compliance with World Bank OPs for environmental and social safeguards. The section covers the framework for environmental and social management that includes screening, identification of impacts and relevant instruments to manage the identified impacts, procedures and requirements to prepare the instruments (such as AMDAL, UKL-UPL, SOP, etc.), process and procedures to review and approval of the instruments, implementation of the instruments, and monitoring and supervision of the implementation of the instruments. This section also includes the Physical Cultural Resources Management Framework for Project activities that involve or affect physical cultural resources.

52. Sections 5.2 and 5.3 contain policy frameworks for land acquisition and resettlement and for planning for IPs, respectively. The LARPF applies to Project activities that involve involuntary land taking, resettlement and restriction of access to legally designated parks and protected areas resulting in direct economic and social impacts. The LARPF also applies to any technical assistance of which the outputs, if they are implemented, will involve physical investment that would entail involuntary land acquisition and resettlement causing potential economic and social impacts. The LARPF applies to:

- a. Component 1: the physical investments and FSs and DEDs for these physical investments;
- b. Component 4: ITMPs (including the Detailed Development Plans), and downstream sectoral master plans.

This section also presents the Indigenous Peoples Planning (IPPF) that applies to Project components that either positively or adversely affect IPs.

53. Section 5.4 presents the procedure for including World Bank OPs in the ITMPs and its Detailed Development Plans. The ITMPs intend to prevent the adverse impacts that can occur from the implemented physical investment recommended by the Plans when tourism development proceeds in an unintegrated manner. Growth of visitor arrivals that outstrips provision of facilities to manage the burdens of such growth may adversely affect the natural and cultural resources and host communities. However, because the ITMPs—and in particular the Detailed Development Plans (DDPs) produced as part of the ITMP assignment—will include recommended physical investment which may generate adverse environmental and social impacts when implemented, avoidance and mitigation measures should be part of the planning processes. This will be accomplished most effectively by incorporating requirements of Bank safeguards policies upstream, where they have maximum potential to prevent impacts, in contrast to downstream measures when plans are fixed and designs are proceeding, and the focus of safeguards is more on mitigation.

## 5.1 FRAMEWORK FOR ENVIRONMENTAL AND SOCIAL MANAGEMENT

### 5.1.1 Screening of potential impacts

54. The activities financed under Components 2, 3 and 4 (excluding the ITMPs and other plans under Component 4) of the Project are unlikely to have adverse environmental or social impacts and will not require formal screening. However, training administered under



Component 2, where relevant, will include basic environmental awareness, including relevant aspects of EHS Guidelines, including the industry sector guidelines for tourism and hospitality development. Businesses that emerge in the future because of Component 3 could have adverse impacts, but these cannot be foreseen and will not be directly related to the Project. To improve environmental outcomes, however, Component 3 will include awareness raising of the EHS Guidelines, including the industry sector guidelines for tourism and hospitality development. Social issues related to new businesses could include gender, disabled workers, child laborers, and equal access to employment.

55. Investments proposed for support under Component 1 of the Project will require environmental and social screening, identification of likely environmental and social impacts and an assessment of their potential significance, and the preparation of safeguards instruments for mitigation measures. Safeguards instruments, as applicable -- UKL-UPL/ESMP, SOP, AMDAL/ESIA, LARAP, and IPP - will be submitted to the Bank for approval. The three-step screening processes is described below.

56. The investment proponent screens the proposed subproject(s) in a three-stage process: (a) screening out of proposed subprojects that would contravene prohibitions in Indonesian laws or Bank OPs; (b) screening based on physical thresholds established by Indonesian regulations; and (c) screening based on the potential environmental and social impacts in accordance with World Bank OPs. The outcome of this three-stage screening process will determine eligible subprojects and the appropriate environmental and social management instrument to be used for each subproject. Screening will take into account associated activities and ancillary facilities as well as cumulative impacts.

- a. **Screening out subprojects prohibited by World Bank policy or Indonesian law and regulations.** The Project will not finance subprojects with the following characteristics:
  - i. Those using asbestos as construction material.
  - ii. Those producing hazardous & toxic waste (B3).
  - iii. Those that would result in significant conversion or degradation of natural or critical natural habitat, including but not limited to conservation forest, protection forest, nature reserves, mangroves, coral reefs.
  - iv. Those that would degrade or destroy a cultural conservation area, not limited to artefacts and structures, but also locations considered sacred or having high spiritual value and intangible assets for local people.
  - v. Those using timber from illegal logging.
- b. **Screening of subprojects based on physical thresholds.** The Indonesian system has two levels of thresholds. The Ministry of Environment and Forestry sets the thresholds for activities for which AMDAL is required, in Ministerial Regulation No. 5/2012. Those that are relevant to this Project are summarized in Table 10 below. Few if any of the investments likely to be supported under the project will exceed these thresholds, but any do exceed them, AMDAL will be required even if an ESMP would be sufficient under Bank OPs. This is in keeping with the principle that where there are differences between GOI and Bank requirements, the more stringent will apply.

Table 10: AMDAL Thresholds for Component 1 Investments

TYPE of ACTIVITY	Scale or Extent of Project Activity
<b>I. ROAD &amp; BRIDGES</b>	
1. Construction and/or improvement of Toll Road (length scale and land acquisition scale)	
a. In big cities/metropolitan <ul style="list-style-type: none"> <li>- Length of road</li> <li>- Land acquisition</li> </ul>	≥ 5 km with ≥ 10 ha ≥ 30 ha
b. In medium cities	≥ 5 km with ≥ 20 ha

TYPE of ACTIVITY	Scale or Extent of Project Activity
- Length of road - Land acquisition	≥ 30 ha
c. In rural areas - Length of road - Land acquisition	≥ 5 km with ≥ 30 ha ≥ 40 ha
2. Road construction/ improvement by widening (length scale and land acquisition scale)	
a. In big/metropolitan city - Length of road and required land acquisition area - Land acquisition	≥ 5 km with ≥ 20 ha ≥ 30 ha
b. In medium city - Length of road and required land acquisition area - Land acquisition	≥ 5 km with ≥ 30 ha ≥ 40 ha
c. In rural areas - Length of road and required land acquisition area - Land clearance/land acquisition	≥ 5 km with ≥ 40 ha ≥ 50 ha
3. Construction of underpass, tunnel, flyover	
a. Construction of underpass, tunnel, flyover - Length	≥ 2 km
b. Construction of bridge - Length	≥ 500 m
<b>II. WATER SUPPLY</b>	
Drinking/clean water	
a. Construction of distribution network system - Size of Service Area	≥ 500ha
b. Construction of transmission pipe network (length)	≥ 10 km
<b>III. SANITATION</b>	
1. Construction of Fecal Sludge Treatment Plant, including supporting facilities - Size - Or capacity	≥ 2 ha ≥ 11 m <sup>3</sup> /day
2. Construction of Wastewater Treatment Plant - Size - Or total capacity	≥ 3 ha ≥ 2.4 ton/day
3. Construction of sewerage/off-site sanitation system in cities/housing area - Size of services coverage - Wastewater debit	≥ 500 ha ≥ 16,000 m <sup>3</sup> /day
4. Construction of drainage channel (primary and/or secondary) in housing areas	
a. In big/metropolitan city (length)	≥ 5 km
b. In medium city (length)	≥ 10
<b>IV. SOLID WASTE</b>	
1. Final Disposal Site (TPA) with controlled/sanitary landfill, including supporting facilities - Size - Or total capacity	≥ 10 ha ≥ 100,000 ton
2. Final Disposal Site at tidal area - Size - Capacity	All size and capacity
3. Construction of Temporary Disposal Site (TPS)/Transfer Station - Capacity	≥ 500 ton/day
4. Construction of Integrated Solid Waste Processing Facilities (TPST) - Capacity	≥ 500 ton/day
5. Construction of Incinerator - Capacity	All capacity
6. Construction of composting plant	≥ 500 ton/day

TYPE of ACTIVITY	Scale or Extent of Project Activity
- Capacity	
<b>V. WATER RESOURCES</b>	
7. Development of Coastal Protection and Improvement of river mouths - Distance perpendicular to the coast	≥ 500 m

Source: Regulation of the Minister of Environment No. 5/2012

57. Matters set forth in this document, primarily related to component 1, emphasize on accessibility and provision of basic needs such as water supply and sanitation, but is not limited to it. AMDAL/ESIA documents also need to be prepared for other development within the scope of the Project, such as coastal protection for coastal tourist areas, particularly Lombok.

58. For investments below the AMDAL thresholds, the Regulation of the Ministry of Public Works No. 10/PRT/M/2008 provides the thresholds that are summarized in Table 11. The table 11 specifies the range of physical thresholds for which UKL-UPL instruments are required. Threshold values below the range indicated in the table 11 will require the use of the SOP instrument and submission of an SPPL by the proponent.

Table 11: UKL-UPL Thresholds for Component 1

TYPE of ACTIVITY	Scale or Extent of Project Activity
	UKL/UPL (Permen PU No.10/PRT/M/2008)
<b>I. ROAD &amp; BRIDGES</b>	
1. Construction of Toll Road	
a. Construction of toll road - Length of Road (without land acquisition)	<5km
b. Improvement of toll road with land acquisition - Length of road - Land required	<5km <5ha
c. Improvement of Toll Road without land acquisition - Length of road	<10km
2. Road construction/ improvement by widening that needs land acquisition	
a. In big/metropolitan city - Length of road and required land acquisition area - Land clearance/land acquisition	1km to <5km 2ha to <5ha
b. In medium city - Length of road and required land acquisition area - Land clearance/land acquisition	3km to <10km 5ha to <10ha
c. In small city - Length of road and required land acquisition area - Land clearance/land acquisition	10km to <30km 10ha to <30ha
3. Construction of underpass, tunnel, flyover	
a. Construction of underpass, tunnel, flyover - Length	<2km
b. Construction of bridge - Length	100 to <500m
<b>II. WATER SUPPLY</b>	
1. Drinking/clean water	
a. Construction of distribution network system - Size of Service Area	100ha to >500ha
b. Construction of Transmission Pipe - Coverage area	
1. Metropolitan city, length	5km to 10km

TYPE of ACTIVITY	Scale or Extent of Project Activity
	UKL/UPL (Permen PU No.10/PRT/M/2008)
2. Medium to small city, length	8km to 10km
c. Water intake from river, lake and other surface water sources	
1. River and Lake	50 l/sc to 250 l/sc
2. Spring	2,5 l/sc to 250 l/sc
d. Construction of complete Water Treatment Plant water (debit)	50 l/sc to 100 l/sc
e. Extraction of ground water for the purpose of (debit)	
1. Community service via SPAM	2,5 l/sc to 50 l/sc
2. Other commercial purposes	1,0 l/sc to 50 l/sc
<b>III. SANITATION</b>	
4. Construction of Fecal Sludge Treatment Plant, including supporting facilities - Size - Or capacity	<2 ha <11 m3/day
5. Construction of Wastewater Treatment Plant - Size - Organic loading	<3 ha <2.4 ton/day
6. Construction of sewerage/off-site sanitation system in cities/housing area - Size - Or waste water debit	<500 ha <16,000 m3/day
<b>IV. WATER RESOURCES</b>	
7. Construction of Dam / Reservoir or Other Type of Water Retention <sup>26</sup> -Dam height -Capacity -Total Area	6m to <15 m 300,000m3 < 500.000 m3 50 ha to <200 ha
8. Development of Coastal Protection and Improvement of river mounts -Distance perpendicular to the coast	10 m to <500 m

Source: Regulation of the Minister of Public Works No. 10/PRT/M/2008

**c. Screening of subprojects based on the potential environmental and social impact.**

The third stage of the screening process screens for activities that, having passed through stages one and two, are considered to have significant potential impacts requiring the use of AMDAL/ESIA. The Ministry of Environment Regulation No. 5/2012 specifies that any activity regardless of scale that would be conducted in a sensitive area as defined in the regulation must be subjected to AMDAL. Protection forests, nature reserves, mangroves, peatlands, coastal areas, national parks, coral reefs, cultural preservation districts, and areas for protected animals and marine biota are examples of such areas. Identification of potential social impacts during the screening in the subproject area of influence will cover at least, but not limited to:

1. Potential numbers of affected persons in terms of involuntary land acquisition and/or resettlement;
2. Potential impacts on gender, vulnerable groups, disabled;
3. Potential impacts on tangible and intangible local and cultural values; and
4. Presence of IPs and subprojects impacts on them (see Appendix 6-8 for IP related issues).

As one of the screening tools, information from the FSs prepared by the subproject proponents either financed by this Project or by local governments or any agencies/entities will provide information on the potential land acquisition and/or resettlement. The

<sup>26</sup> The Project will not finance this size of subprojects.

AMDAL/ESIA or the UKL-UPL will also inform the Project on the potential land acquisition and/or resettlement and other social issues of a particular subproject, including the availability and potential needs of local labors,<sup>27</sup> as well as potential impacts on IPs. Moreover, the planning document prepared by the subproject proponent for applying the determination location from the Governor will also inform the Project on the potential land acquisition and/or resettlement. The AMDAL/ESIA or the UKL-UPL will inform the subproject proponent on the availability and characteristics of local labors from the statistical employment data, and assess whether there would be quantity and quality gaps between the available and needs of labor. This information will assist the subproject proponent in developing the criteria and requirements in the bidding document, which will guide the potential bidders in preparing their proposal to include workforce management. Contracts for civil works will include not only mitigation measures to address environmental and social impacts that would occur during construction, but also workforce management.

Under Bank OPs, proposed investments would be screened for significance of potential impacts, considering factors including the following:

- Numbers and characteristics of people likely to be affected and their location
- Area of impacts, including project's area of influence (ancillary facilities and associated facilities<sup>28</sup>)
- Duration or exposure of impacts
- Intensity of impacts
- Severity and probability of impacts
- Numbers of environmental component affected
- Cumulative impacts
- Reversibility of the impacts
- Trans-boundary aspects, whether the impacts affect cross national borders.

In addition, the Bank safeguards policies that would be triggered by the proposed investment will be identified during screening, to ensure that safeguards instruments address their requirements. Appendix 10 provides a checklist for use in screening and determine which policies are triggered. Appendix 11 is a format for recording the results of screening, including the determination on the safeguards instrument required for the investment. Figure 2 below is a graphic representation of the screening procedure, using a roads project (for illustrative purposes only) as an example.

**d. Approval of screening.** With the assistance of the PMS Consultant, RIDA will review all screening results and indicate either that it concurs with the screening conclusion or has advised the implementing entity to reconsider the screening.

59. In the case that an agency or entity requests financing from the Project for an eligible subproject that has been prepared or that is being implemented, RIDA will perform the following steps:

- a. With the assistance of the PMS Consultant, RIDA reviews the available environmental (AMDAL, UKL-UPL, SPPL, ECOPs) and social safeguards instruments (LARAP, IPP) in

<sup>27</sup> The Project (1) would not cover large-scale subprojects such as toll road, airports or big ports; (2) the nature of subprojects would fully or mostly rely on goods and services to be produced or supplied from the destinations (not from outside); (3) the three destinations are considered "developed" or "developing areas" whereby there are quite some numbers of low-skilled labors and medium skilled labors that need jobs; (4) the three destinations and clusters inside them are mostly urbanizing or urbanized areas, therefore communities are more open to receive labors from other villages if the contractors need to get labor from neighboring villages.

<sup>28</sup> Associated facilities are facilities or activities that are not funded as part of the project and, in the judgement of the Bank are (a) directly and significantly related to the project; (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed or expanded if the project did not exist.

reference with the requirements specified in this ESMF; identifies gaps between the scope, quality of information and assessment, identified impacts, and mitigation measures that have been recommended to address environmental and social issues and those of requirements specified in this ESMF; and/or

- b. With the assistance of the PMS Consultant, RIDA reviews the implemented actions and assess the gaps between them and the available environmental and social safeguards instruments; also, assess the gaps between the implemented actions with the requirements specified in this ESMF (for instance, whether the affected land and other assets have been compensated at replacement costs);
- c. Both gaps assessment mentioned above are reported in the Due Diligence Assessment Report, and RIDA will share this Report with the Bank for discussions on the appropriate corrective actions. If there are gaps, RIDA (with the assistance of the PMS Consultant) will prepare a corrective action plan for the subproject proponent to fill in the gaps. The corrective action plans shall be discussed and agreed by the subproject proponent. Some actions can be in the form of amendments to the existing environmental and social safeguards instruments (such as amendment to the AMDAL, UKL-UPL, Land Acquisition Plan or LARAP, and/or IPP), or, prepared as a new stand-alone instrument (such as IPP, biodiversity study, etc.). A corrective action plan, includes among others: (a) issues to be addressed and corrective actions to address the issues; (b) target groups of each action; (c) location, intensity, volume or amount of each action; (d) outputs and/or outcomes to be achieved; (e) clear time line of implementation of each action; and (f) estimated costs, source of finance, and timing of budget availability.
- d. The World Bank will review and approve the corrective action plan, prior to the continuation of the subproject preparation or implementation.
- e. Should there be no gaps between the subproject's environmental and social safeguards instruments and the implementation of the recommended mitigation measures with those of the requirements specified in this ESMF, RIDA will share the Due Diligence Assessment Report with the Bank and request for the Bank's approval for the subproject proponent requesting Project financing to proceed with the preparation or implementation for such subproject.

## 5.1.2 Defining Instruments for Addressing Impacts

60. Based on the screening process described above, the subproject proponents will define the appropriate instruments to plan and implement the mitigation measures for the environmental and social impacts. Based on the screening procedures and requirements specified above, the appropriate instruments to address the social issues are as follows:

- Mitigation measures and management of potential social impacts beyond involuntary land acquisition and/or resettlement will be addressed in the AMDAL/ESIA/ESMP and UKL-UPL which will be prepared and implemented in compliance with the requirements specified in this ESMF;
- Mitigation measures and management of potential involuntary land acquisition and/or resettlement will be addressed in the LARAP which will be prepared and implemented in compliance with the requirements as specified in the LARPF in this ESMF.
- Mitigation measures and management of potential impacts on Indigenous Peoples will be addressed in IPP which will be prepared and implemented in compliance with the requirements of the IPPF in this ESMF.

61. Indonesian regulations prescribe safeguards instruments that correspond to the environmental assessment documents normally prepared to meet requirements of OP 4.01 and OP 4.12. It is the intention of this ESMF that a single document satisfy both the government and the World Bank. The model documents included as appendices are designed

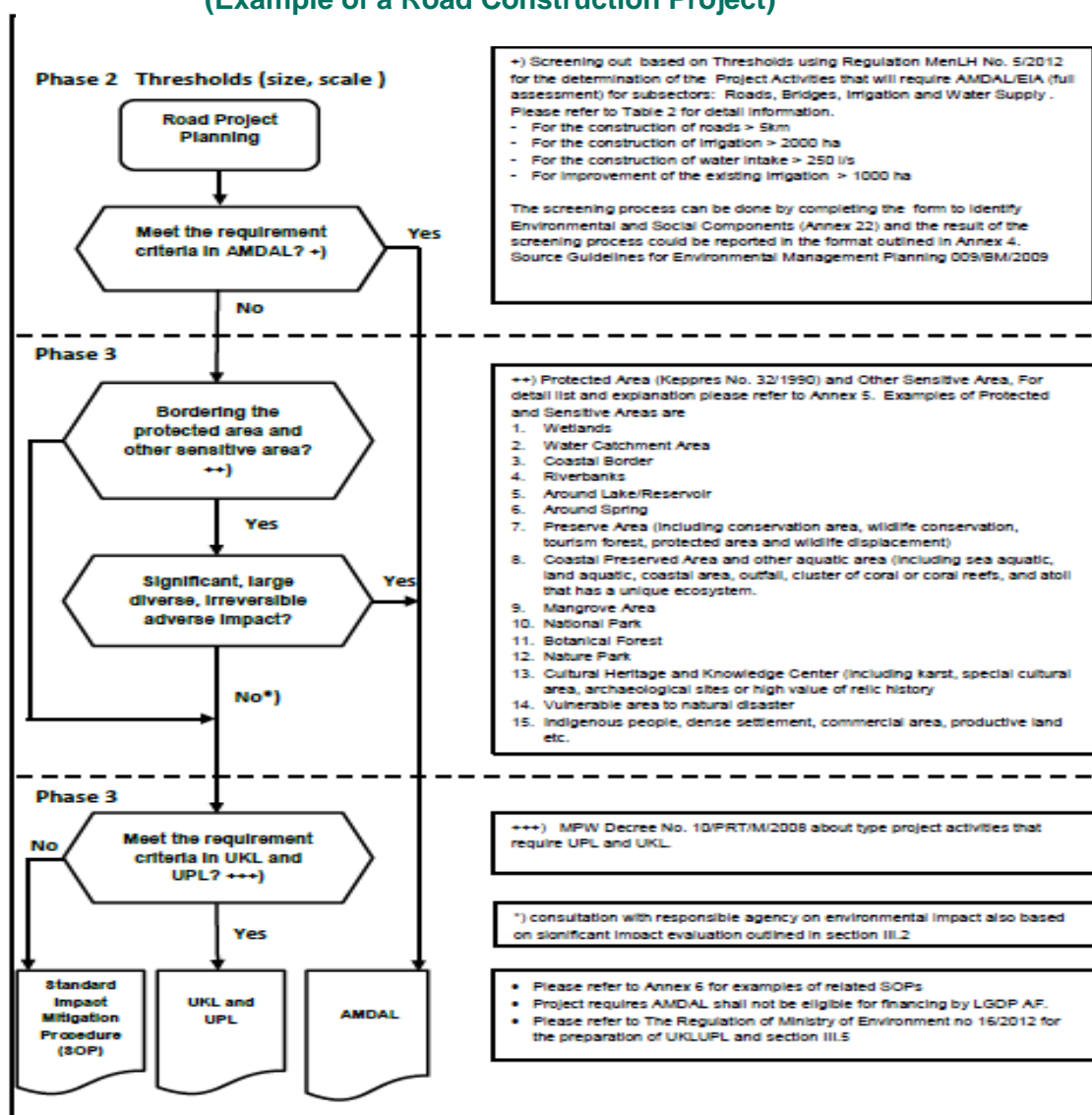


to ensure that intent can be met. The relevant Indonesian instruments and their World Bank counterparts are described below.

- AMDAL refers to the process of preparing a full ESIA under Indonesian law. AMDAL stands for Analisis Mengenai Dampak Lingkungan Hidup or Environmental Impacts Assessment (EIA) in Indonesian. AMDAL is a comprehensive assessment of the potential significant impacts of a project and/or activity that is planned or proposed to the environment, which assessment is needed in the decision-making process regarding the project and/or activity. The documents produced are the ANDAL, which is the impact assessment, and the RKL (Rencana Pengelolaan Lingkungan/ Environmental Management Plan) and RPL (Rencana Pemantauan Lingkungan/ Environmental Monitoring Plan), which are the Environmental Management Plan and the Environmental Monitoring Plan, respectively. A full ESIA prepared under OP 4.01 generally consolidates those three documents in a single report – the ESIA that contains the Environmental and Social Management Plan (ESMP), although there are occasions where the ESMP is prepared as a separate document.
- UKL (Upaya Pengelolaan Lingkungan/Environmental Management Effort) and UPL (Upaya Pemantauan Lingkungan Hidup/Environmental Monitoring Effort) are prepared for activities with potential adverse impacts but of lesser significance than in the case of an activity requiring AMDAL. Taken together, the UKL and UPL correspond to the sort of ESMP that would be prepared under OP 4.01 for activities rated Category B in the Bank's screening system.
- SOP (Standard Operating Procedures) contains a set of impact management procedures for the proponent of a project or activity must be implemented during construction and operation. SOP could be considered as a "generic" ESMP. In other words, the provisions in the SOP would apply to the activity in question no matter where it is carried out, and no site-specific analysis is needed. SOP can be accepted, where appropriate, as one way to meet OP 4.01 requirements for Category B projects.
- SPPL stands for Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup or the Statement Letter for Environmental Management and Monitoring. It is a commitment statement of the proponent of project and/or activity to implement the environmental management and monitoring from their project and/or activity, when AMDAL or UKL-UPL are not mandatory.
- A Land Acquisition and Resettlement Action Plan (LARAP) is the instrument prepared in Indonesia when land is to be acquired by expropriation. The LARAP is similar to the Resettlement Action Plan (RAP) required by OP 4.12, with some differences that are explained in Section 5.2 and accounted for in the model LARAP in Appendix 4.
- Indigenous Peoples Plan (IPP) is required under OP 4.10, when indigenous communities may be affected by a proposed development activity. There is no equivalent document in the Indonesian system. Preparation of the IPP will be guided by the Indigenous Peoples Planning Framework (IPPF) in Section 5.3 below, and the IPP template in Appendix 9.

62. The project categorization based on the World Bank's OPs can be seen in the Appendix 9 as screening process.

**Figure 2 Flow chart on Determining Project which requires AMDAL or UKL-UPL (Example of a Road Construction Project)**



### 5.1.3 Preparation of Instruments

63. The subproject proponent/entity that will implement the proposed investment will prepare the required environmental management instrument (UKL-UPL or AMDAL/ESIA based on the result of the screening process and the on the DED of the subproject. If the screening process concludes that SOP is sufficient, the implementing entity will obtain the appropriate SOP from RIDA, which will prepare and issue all SOPs with the assistance of the PMS Consultant. The implementing entity will prepare and submit an SPPL containing its commitment to monitor and manage environmental and social impacts of the investments

64. The preparation of UKL-UPL and AMDAL documents must be in accordance to the Regulation of the Minister of Environment No.16 of 2012 concerning the Guidelines for Preparation of Environmental Document and additional provisions included in this ESMF. The following steps must be taken in the formulation and implementation of the UKL-UPL:

- Implementing entity should coordinate with the relevant environmental agency and fill in the forms provided by the Agency. Template of UKL-UPL implementation is presented in Appendix 2.

- ii. The implementing entity should prepare the UKL-UPL document that considers impacts on the environment in the sub-project area of influence, including analysis of alternatives and any additional requirements based on the screening of potential impacts, engaging consultants as needed. In the event AMDAL is required, the implementing entity shall engage a consultant certified for AMDAL preparation to conduct the necessary studies and prepare the documents.
- iii. The UKL-UPL or AMDAL documents should also contain information such as budget estimation for programs or activities of environmental management, public consultation programs and institutional arrangements for implementation.
- iv. The implementing entity should submit the forms in draft to RIDA for review prior to formal submission to the cognizant environmental agency for review/ evaluation. World Bank will also review any AMDAL that is prepared for an investment and will review UKL-UPL documents for at least the first year of the project. Bank comments will be submitted to RIDA to be taken into account in RIDA's review.
- v. Upon receiving clearance from RIDA, the implementing entity will disclose the draft documents in the area affected by the investment and on the project website for stakeholder review. In the case of UKL-UPL, the implementing entity will provide an opportunity for stakeholders to make comments. In the case of AMDAL, the mechanism for comments is part of the AMDAL Commission's review process.
- vi. The environmental agency issues comments on and eventual approval for the proposed UKL-UPL. In the case of AMDAL, the environmental agency submits the AMDAL documents to the cognizant AMDAL Commission for its review.
- vii. Once the implementing entity has satisfactorily addressed the comments from the environmental agency, the AMDAL Commission, and stakeholders, a copy of the final document is submitted to the Mayor/Bupati or Governor, as appropriate through the environmental agency.

### 5.1.4 Physical Cultural Resources Management Framework

65. A PCR Management Plan is a requirement of Bank OP4.11 when an investment may affect PCR – i.e., resources of archaeological, paleontological, historical, architectural, and religious (including graveyards and burial sites), aesthetic, or other cultural significance. There is no corresponding requirement in Indonesian regulations. If a PCR Management Plan is required, it will be prepared as part of the investment's ESMP, i.e. the UKL or RKL. A typical plan is described below.

- a. The scope of management physical cultural resources includes:
  - i. Conservation: preservation, restoration, reconstruction, adaptation, maintenance, protection;
  - ii. Utilization: publication/presentation, exhibition, revitalization/productive function.
- b. Management program follows the conservation procedure that includes inventory, identification, and plan prior to program implementation.
  - i. Inventory to include:
    - PCR profile in the form of list on various PCRs;
    - Map of PCR distribution in the appropriate scale;
  - ii. Identification of cluster and trail:
    - Cluster defined based on potency strategic and utilization of the PCR. Cluster definition to consider the intensity and richness in a limited area in order to promote the heritage atmosphere. The limited area also making the management of the PCR easier.
    - Trail is the path of the PCR as internal framework of the cluster and as access to other cluster.

- iii. Program strengthening:
  - Five years' program of the village should include the PCR management;
  - The first-year budget can be proposed to the project, based on the cluster approach.
- iv. Design preparation:
  - Cluster and trail should be equipped with design guidelines on the development; hence the PCR will be kept in its original condition, as long as possible. The project should strengthen the heritage atmosphere not the other way around to erode the visual character of the PCR.
  - Design guidelines should define the *kelurahan* regulations and agreements regarding physical design development criteria and its harmony between building and the environment. These guidelines to include: the architecture, facet, height, perimeter, yards, scale, etc (that should be restored and developed according to the local condition and need).
  - The development of design guidelines should be supported by design review on the respective cluster characteristics.

When there is no known PCR that would be affected by an investment, but the work involves site clearing or excavation that could expose PCD that was not foreseen, a Chance Finds Procedure must be prepared. The chance finds procedure is presented in Appendix 5.

### 5.1.5 Implementation of Safeguards Instruments

66. The overall process for formulating the environmental assessment must be completed before the implementing entity can sign the contract agreement for construction. Recommendations for environmental management and monitoring become part of the contract agreement to be signed by the implementing entity and the contractor, and must be supervised by a supervision consultant. A sample of key clauses for the contract agreement with the contractor and supervision consultant with recommendations on environmental management and monitoring is presented in Figure 3 below, or in the Ministry of Public Works' Guideline No. 10/BM/2009 concerning specific clauses on technical specification for contractors pertaining to environmental impacts. This guideline also includes the example of guidelines for the mitigation of impacts from construction works (traffic, stockpiles, waste management, erosion and sedimentation, vegetation management, utility management).

**Figure 3 Clauses in the Contract Agreement Related to Environmental Safeguard**

**Requirements of environmental safeguards:**

The second party has understood clearly and shall follow recommendations from the UKL/UPL documents and results of the environmental study..... as specified in the documents of..... page.....

In conducting construction work, the second party must always follow the guidelines for environmental safeguards, as specified in the documents.....

**Sanctions:**

If the second party fails to comply with the recommendations and requirements for environmental safeguards in the contract agreement, then the second party must carry out restoration at their own cost and pay compensation to the community affected by the project as specified in the following points:

- (1) ....
- (2) ....

**Guarantee:**

The second party must guarantee that the construction work has been completed following the environmental regulation, as written in the following documents:

- (1) .....
- (2) .....

The second party must guarantee that in pre-construction and construction stages, there will be no negative impact due to work done by the second party, as regulated by document..... If any negative impact occurs, then the second party must take measures, as needed and as approved by the first party, at their own cost.

### 5.1.6 Monitoring of Instrument Implementation

67. M&E will be conducted to ensure that tourism development proceeds in a manner that adheres to the concepts of sustainability, and in accordance with the principles of capacity management. During its supervision activities, the RIDA as the Executing Agency will review plans, studies, designs, and any UKL-UPLs (or AMDALs) prepared under the Project to confirm that the requirements of the ESMF are being adequately incorporated. If subprojects are screened as Category A, independent supervision will be required as part of the ESMP.

68. With the assistance of the PMS Consultant, RIDA will review the TOR for the supervision consultant prepared by the subproject proponent to include progress monitoring of the recommended activities specified in the AMDAL/ESIA, or UKL-UPL, and LARAP and/or IPP and or EHS Guidelines (for specific sector/industry) implemented during the construction. This scope of works should be part of the RFP and supervision consultant's contract.

69. In the case of physical investments for which DED was prepared under the Project, RIDA supervision will include confirmation that the required UKL-UPL (or AMDAL), LARAP, and IP Plan have been prepared and approved and are of adequate quality. Direct supervision of construction and operation of the physical investments financed by the Project, including compliance with the safeguards instruments, will be the responsibility of the implementing entity but will be monitored by RIDA. Every six months, RIDA will prepare reports for the Steering Committee and World Bank on ESMF implementation, including an assessment of ESMF effectiveness and recommendations for any necessary amendments to the ESMF. The World Bank will review and provide comments and technical advice on the issues included in the reports. RIDA will immediately inform the Steering Committee and World Bank Task Team of any circumstance or occurrence that could have a materially adverse impact on the environmental and social performance of the Project.

## 5.2 LAND ACQUISITION AND RESETTLEMENT POLICY FRAMEWORK (LARPF)

70. The purpose of this policy framework is to advise the Executing Agency (RIDA) and other implementing entities on the principles, process, procedures, and organizational arrangements that apply to investments requiring land acquisition and/or involuntary resettlement. This LARPF is included in the ESMF to guide the preparation of the Land Acquisition and Resettlement Plan (LARAP) and/or Plan of Action that are in compliance with the requirements specified in the World Bank OP4.12 and in the Law No. 2/2012 and its implementing regulations on Land Acquisition for Development for the Public Interests. LARAP is a common term used in other World Bank-supported operations in Indonesia which is the same with the term Resettlement Plan (RP) used in World Bank OP 4.12. Law No.2/2012 and its implementing regulations used the term *Rencana Pengadaan Tanah* or Land Acquisition Plan, but the elements covered by this document needs to be expanded to be equivalent with the LARAP.

71. This framework applies for any activities in the Project's tourist destinations (but—if the government decides so—could be expanded to other destinations in the future) to support the achievement of the Project objectives, regardless of financing sources. It applies for:



- Physical investments that potentially have direct economic and social impacts due to the involuntary taking of land
  - resulting in relocation, or loss of assets, or loss of access to assets, or loss of income sources or means of livelihood whether or not the Project Affected Persons (PAPs) must move to another location; or due to the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the PAPs.
- Activities resulting in involuntary land acquisition and resettlement that are
  - directly and significantly related to the Project;
  - necessary to achieve its objectives as set forth in the Project documents; and
  - carried out, or planned to be carried out contemporaneously, with the Project.

72. This framework relies on the World Bank OP 4.12 on Involuntary Resettlement. Specific provisions are included in this framework to address any aspect of the OP 4.12 that are not fully addressed in the Government of Indonesia Law No. 2/2012 and its implementing regulations. In addition to Law No.2/2012, Table 6 in Section 4.2 lists ten Presidential Regulations that elaborate the process and procedures to implement this Law.

Table 12: Laws and Regulations on Land Acquisition for the Development for Public Interest

No.	Law/Regulation	General Theme and Goal
1.	Law No. 2/2012 on Land Acquisition for the Development for Public Interest.	<p>This law applies to development of infrastructure for public interests. The objective of this Law is to accelerate land acquisition process for the infrastructure development for the public interests. Compare to previous land acquisition regulations, it sets clearer land acquisition process and requirements and their institutional arrangements in four steps: planning, preparation, implementation and submission of the results. The institutions that are eligible to acquire land through Law 2/2012 are any state institution, ministry and non-ministry government institution, provincial government, district/city government, and State-Owned Legal Enterprise/State-Owned Enterprise which is specially assigned by the Government.</p> <p>Land acquisition must be carried out through planning that involves all stakeholders and must be implemented by providing a feasible, fair and just compensation. The land acquisition for the development for public interest shall be performed in accordance with:</p> <ul style="list-style-type: none"> <li>a. the Regional Spatial Planning;</li> <li>b. the National/Regional Development Plan;</li> <li>c. the Strategic Plan; and</li> <li>d. the Working Plan of each Agency needing land</li> </ul> <p>There are four steps of land acquisition: planning, preparation, implementation and submission of results of land acquisition.</p>
2.	Presidential Regulation No. 71/2012 on the Implementation of Land Acquisition for the Development for Public Interests	<p>The Regulation elaborates the implementation of Law 2/2012 with detail and step by step processes and procedures of implementing land acquisition. This regulation has been amended four times by Presidential Regulation 40/2014; Presidential Regulation 99/2014, Presidential Regulation 30/2015 and Presidential Regulation 148/2015</p>



3.	Presidential Regulation No. 40/2014 on the Changes of the Presidential Regulation No. 71/2012	The Presidential Regulation No. 40/2014 specifies the funding sources for operational and supporting costs for the implementation of land acquisition for the assigned SOEs and for the upstream oil and gas public infrastructure; increase the size of small scale land acquisition from 1 Ha to 5 Ha.
4.	Presidential Regulation No. 99/2014 on the Second Changes of the Presidential Regulation No. 71/2012	The Presidential Regulation No. 99/2014 specifies in more detail the determination of compensation, the procedures of hiring or selection of the appraisal services, the expanded timing for giving the compensation from 7 to 14 days after the validation from the head of the land acquisition implementation team is received by the agency who needs the land. This regulation outlines the process and requirements for the incomplete land acquisition after end of December 2014 that can be extended until end of December 2015.
5.	Presidential Regulation No. 30/2015 on the Third Changes of the Presidential Regulation No. 71/2012	The Presidential Regulation No. 30/2015 allows the business entities who obtained authorities/powers based on agreements with national institutions, ministries, non-ministerial institutions, provincial, district or city, and SOEs who are specifically assigned by the central government to provide infrastructure of the public interests. Further, this regulation allows the business entities who act on behalf of those parties who need the land to pre-finance land acquisition, which will be reimbursed by the concerned agencies/ministries after land acquisition process is completed. This regulation specifies in more detail the process and requirements for the incomplete land acquisition after end of December 2014 (that can be extended until end of December 2015) in relation to the determination of development location.
6.	Presidential Regulation No. 148/2015 on the Fourth Changes of the Presidential Regulation No. 71/2012	This regulation stipulates among other the institutions who will be responsible for or assigned for land acquisition for infrastructure development for public interests. This regulation shortens the length of time of the preparation and implementation for land acquisition, submission of the results of land acquisition. It also regulates the small-scale land acquisition up to 5 Ha and streamlines the procedures (no need to obtain determination of development location letter, and utilize the appraiser's service for defining compensation).
7.	Presidential Regulation No. 102/2016 on the Financing Land Acquisition for Development the National Strategic Projects for Public Interests	This regulation stipulates the process and procedures of land acquisition for the national strategic projects (as stipulated in the Presidential Regulation No. 3/2016). It covers procedures and requirements for funding land acquisition for national strategic projects that will be implemented by ministries and/or SOEs. This regulation allows the pre-financing for land acquisition by business entities (SOEs or private business entities) who have been assigned by ministries to build infrastructure for public interests. The regulation also contains the procedures and requirements of pre-financing and reimbursement of the compensation that has been paid by the business entities.

8. Presidential Regulation No. 56/2017 on Handling Social Impact in Land Acquisition for the National Strategic Projects (as specified in the Perpres 3/2016 and its update the Perpres 59/2007).	This regulation stipulates that the Government will handle the social impacts on the occupants of land owned by the Government (national, provincial and district/city), state-owned enterprise, and local-government enterprise that will be used for the national strategic projects. The regulation specifies the criteria of such occupants (have ID cards endorsed by sub-district and do not have rights on the land; have physically controlled and used the land continuously for 10 years, and have controlled and used land with good intention openly, not contested and recognized and proven true by the land owner(s) and/or head of village); coverage of compensation (costs for dismantling houses, mobilization, house rents and support for income loss). The regulation requires the land owners to prepare a Social Impact Handling Plan (SIHP) to be submitted to the Governor, who will then establish an Integrated Team to make an inventory and verify the occupants and the occupied land; assign independent party to calculate the compensation; facilitate issues; recommend the list of occupants eligible for compensation, amount of compensation based on the calculation of the independent party, mechanism and procedures to give the compensation to the occupants; and control the implementation of the delivery of the compensation. The Integrated Team consists of various government officials from province and district/city and land owners. Based on the recommendation from the Integrated Team, the Governor will establish the list of eligible occupants for compensation; amount of compensation and mechanism and procedures to give the compensation. The regulation also specifies that the land owner(s) should provide the financing for the compensation and the compensated occupants should move out from the land maximum in seven days after the compensation is received.
9. Regulation of the Minister of the National Land Agency No. 5/2012 on the Technical Guidelines for Implementing Land Acquisition	Since its issuance, this regulation has been amended twice, i.e., by the Regulations of the Minister of Spatial Development/National Land Agency No. 6/2015 and No. 22/2015. It specifies in detail the preparation of the implementation that includes: inventory and identification of the affected land, determination of appraisal services and task of appraisers, discussions/negotiations on the forms and values of compensation values, compensation payment or provision in the case the compensation is in the form of non-cash, process and procedures in providing compensation in special circumstances, custody of compensation/consignment, release of objects of land acquisition, documentation of field map, nominative lists and administrative data. It also specifies the submission of results of the land acquisition; the taking of the consignment; monitoring and evaluation; financing land acquisition; small-scale land acquisition; coordination or the implementation of land acquisition; and transitional provisions. This regulation is accompanied by a set of various formats as annexes.
10. Regulation of the Minister of Spatial Development/National Land Agency No. 6/2015 on the Changes of the Regulation of the Minister of the National Land Agency No. 5/2012	This regulation amended the Regulation of the Minister of the National Land Agency No. 5/2012. This regulation elaborates the amendments of the Presidential Regulation No. 71/2012 as specified in the Presidential Regulation No. 40/2014, Presidential Regulation No. 99/2014, and Presidential Regulation No. 30/2015. This regulation specifies that land management rights could be given to the national institutions, ministries, non-ministerial institutions, provincial, district or city, and SOEs who are assigned by the central government to cooperate with business entities. Business entities who has the agreements with one of these institutions could be given building rights or use rights. Moreover, this regulation also explains that the land

	<p>acquisition funds is included in the budget document (DIPA) of the government institutions or budget of the SOEs.</p> <p>This regulation also stipulates the processes and procedures of small-scale land acquisition for an area up to 5 Ha and land acquisition for infrastructure that are not for public interests. Further, this regulation contains process, procedures and requirements on the incomplete land acquisition but has obtained Determination of Development Location Letter. This includes the requirements to apply the compensation level that is assessed by the land appraisers as specified in the Law 2/2012 for the land that had been assessed under the requirements of the previous regulations with lower compensation level.</p>
11.	<p>Regulation of the Minister of Spatial Development / National Land Agency No. 22/2015 on the Second Changes of the Regulation of the Minister of the National Land Agency No. 5/2012</p> <p>This regulation amended the Regulation of the Minister of the National Land Agency No. 5/2012 that elaborated the amendments of the Presidential Regulation No. 71/2012 as specified in the Presidential Regulation No. 30/2015. It specifies that the business entities who act on behalf of the agencies/ministries, provincial/district/city governments and SOEs who has been assigned by the Government to acquire land, can pre-finance land acquisition, which will be reimbursed by the concerned agencies/ministries/ and local governments through APBN/APBD after land acquisition process is completed. The funds can be obtained through a special account mechanisms.</p>

73. The main identified gaps between the OP 4.12 on Involuntary Resettlement and the Law 2/2012 are:

- Assistance to the PAPs who have no land rights such as sharecroppers, renters, squatters are not covered by the Law 2/2012 and its implementing regulations;
- Facilitation for livelihood restorations for the PAPs, although income losses are compensated based on the valuation of the licensed independent appraisers, but is not arranged by Law 2/2012 and its implementing regulations.

Table 13: Gaps between Law 2/2012 and OP 4.12 on Involuntary Resettlement

Elements	World Bank OP 4.12	Law 2/2012	Gaps	Measures to Address Gaps
Direct Impacts.	Covers provision of benefits to address direct social and economic impacts caused by the involuntary restrictions of access to legally designated parks and protected areas resulting in adverse impacts on livelihoods	Relates to compensation for loss of land and assets also other losses that can be caused by taking of land for a project. Once fair compensation given, further consideration and impact mitigation are not elaborated.	Adverse social and economic impacts due to access restriction is not explicitly covered under the Law 2/2012 on Land Acquisition for Public Infrastructure.	ESMF includes a Process Framework (Appendix 3) to address impacts due to access restrictions.
Indirect impacts.	States that indirect social and economic impacts caused by project should be addressed under OP 4.01	Not covered, however indirect impact regulated in Law No. 23 of 1997 on Environmental Management (AMDAL/ESIA)	Indirect impacts are not covered in the Law 2/2012 on Land Acquisition for Public Infrastructure.	It will be covered in the UKL-UPL as shown in the template in Appendix 2.
Linked activities.	Covers impacts that result from other activities is if they are (i) directly and significantly related to the proposed project; (ii) necessary to achieve its objectives; and (iii) carried out or planned to be	Not covered	Linked activities are not covered.	It is addressed in the LARPF (see Chapter 5 of this ESMF)

Elements	World Bank OP 4.12	Law 2/2012	Gaps	Measures to Address Gaps
	carried out contemporaneously with the project			
Host Communities.	Impacts on host communities need to be considered, and host communities need to be consulted.	Not covered since option of resettlement/relocation is not sufficiently elaborated.	Host communities are not explicitly covered in the Law 2/2012 on Land Acquisition for Public Infrastructure.	This is addressed in the LARPF as shown in the template in Appendix 4.
Resettlement as Sustainable Development Program.	Resettlement activities should be conceived as sustainable development programs, providing sufficient resources to enable persons displaced to share in project benefits.	The law and regulations provide options for compensation for land acquisition due to the development for public interests. Compensation level is defined based on the assessment carried out by the licensed, independent appraisers. See compensation options in this Table 14 and Table 15 below.	The implementation of other forms of compensation outside cash compensation are not elaborated in the law and regulations.	LARPF provides options for compensation and entitlements.
Vulnerable Groups.	Pay particular attention to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, Indigenous Peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.	PAPs and eligibility criteria for compensation are not differentiated by vulnerability or gender.	No specific separation by vulnerability or by gender.	The LARAP required information on the vulnerable groups (women, very poor, disable, etc. and this will be obtained from the census survey
Resettlement Planning Instruments.	Different planning instruments must be prepared to achieve the objectives of the policy (resettlement plan, resettlement policy framework or process framework) and must cover all aspects of the proposed resettlement.	Land acquisition plan <sup>29</sup> is prepared by the Land Acquisition Team based on a feasibility study, a subproject <sup>30</sup> should comply with 31 should comply with the spatial development plan	The Land Acquisition Plan does not fully cover elements and details of those in the LARAP. Timing of the preparation of the Land Acquisition Plan with results of inventory of affected land plots should be advanced to the planning stage.	Requirement to prepare a LARAP at the planning stage in compliance with the LARPF in this ESMF.
Eligibility for PAPs without legal rights of the land they occupy.	For those without formal legal rights to lands or claims to such land that could be recognized under the laws of the country, provide resettlement assistance in lieu of compensation for land to help improve or at least	Does not cover squatters (unless in good faith on public land), encroachers and renters on private land. This issue is addressed by the Presidential Regulation (Perpres) 56/2017 on Handling for	Commonly, compensation only for the affected structure, but with the Perpres 56/2017 they are entitled for some compensation not only for the affected	The LARPF specified the eligibility criteria and entitlement for each category of PAPs, including the informal occupiers.

<sup>29</sup> Not the same as World Bank LARAP/RP, here is more implementation procedure than development plan.

<sup>30</sup> The proposed project should follow the spatial development plan. If not, the project location has to move to other place or, the spatial development plan should be revised by the local government, the revised spatial development plan should be approved by the local parliament. Revision of the Plan should be issued by the local parliament proposed by the relevant government institution

<sup>31</sup> At present the spatial-planning zoning could accommodate the function that proposed by the project. If not the project has to move to other place or revision of zoning should be issued by the local parliament proposed by the relevant government institution

Elements	World Bank OP 4.12	Law 2/2012	Gaps	Measures to Address Gaps
	restore their livelihoods. Will covers squatters and encroachers	<p>Social Impacts in Land Acquisition for the National Strategic Projects<sup>32</sup>. This regulation was issued on May 31, 2017. It provides a legal basis to compensate squatters (those who occupy land that belonged to other parties, in this case, the Government). This regulation has addressed the concern of squatters for not being eligible for any compensation.</p> <p>Currently the Ministry of ATR/BPN is preparing a Technical Guidelines for Preparing a Land Acquisition Plan<sup>33</sup>, which covers among other various approach to compensate informal settlers, sharecroppers or those who do not have land.</p> <p>Land less and laborers are not expected to be compensated and provided rehabilitation measured; it is the responsibility of the landowner to compensate them.</p>	structures and some assistance.	
Eligibility for Indigenous Peoples.	OP 4.12 applies to PAPs as a result of the involuntary land taking and/or access restriction	IPs is covered once they have been legally recognized <sup>34</sup>	Law 2/2012 does not specify any groups including IPs. This law applies to any	IPPF specifies that if a subproject needs to acquire land, LARPF applies.

<sup>32</sup> Presidential Regulation No. 56/2017 on the Handling Social Impact in Land Acquisition for the National Strategic Projects (as specified in the Perpres 3/2016 and its update Perpres 59/2007). This regulation stipulates that the Government will handle the social impacts on the occupants of land owned by the Government (national, provincial and district/city), state-owned enterprise, and local-government enterprise that will be used for the national strategic projects. The regulation specifies the criteria of such occupants (have ID cards endorsed by sub-district and do not have rights on the land; have physically controlled and used the land continuously for 10 years, and have controlled and used land with good intention openly, not contested and recognized and proven true by the land owners and/or head of village); coverage of compensation (costs for dismantling houses, mobilization, house rents and support for income loss). The regulation requires the land owners to prepare a Social Impact Handling Plan (SIHP) to be submitted to the Governor, who will then establish an Integrated Team to make an inventory and verify the occupants and the occupied land; assign independent party to calculate the compensation; facilitate issues; recommend the list of occupants eligible for compensation, amount of compensation based on the calculation of the independent party, mechanism and procedures to give the compensation to the occupants; and control the implementation of the delivery of the compensation. The Integrated Team consists of various government officials from province and district/city and land owners. Based on the recommendation from the Integrated Team, the Governor will establish the list of eligible occupants for compensation; amount of compensation and mechanism and procedures to give the compensation. The regulation also specifies that the land owners should provide the financing for the compensation and the compensated occupants should move out from the land maximum in seven days after the compensation is received.

<sup>33</sup> This initiative is supported by ADB Technical Assistance

<sup>34</sup> In BPN and Forestry Regulations IP institution should be recognized by local government, while institutions that in favor of IPs prefer that the recognition comes from independent IPs Committee.

Elements	World Bank OP 4.12	Law 2/2012	Gaps	Measures to Address Gaps
	to legally designated parks and protected areas	Law 39/1999 article 6 on Human Rights requires that the differences and needs of <i>MHA</i> should be noticed and protected by law, community and government. Their identity including customary land rights should be protected in harmony with the current development.	affected persons due to the land taking for infrastructure development for the public interests. Law 39/1999 article 6 requires that in the context of enforcement of human rights, <i>MHA</i> including their customary land rights should be protected in harmony with the current development.	
Land for Land	Preference for land-to land compensation for the displaced people whose livelihoods are land based.	Law 2/2012 provides options for land to land compensation, but no detail procedures to implement this resettlement scheme	No gaps	LARPF provides compensation option including land to land compensation.
Compensation options	Provide technically and economically feasible resettlement alternatives and needed assistance, including (a) prompt compensation at full replacement cost for loss of assets attributable to the project; (b) if there is relocation, assistance during relocation, and residential housing, or housing sites, or agricultural sites of equivalent productive potential, as required; (c) transitional support and development assistance, such as land preparation, credit facilities, training or job opportunities as required, in addition to compensation measures; (d) cash compensation for land when the impact of land acquisition on livelihoods is minor; and (e) provision of civic infrastructure and community services as required.	Law 2/2012 provide options for compensation. The MAPPI (Association of Appraisers)'s guideline determine compensation based on market price plus transaction and other costs, plus premium (to cover beyond valuation cost such as emotional lost). <ul style="list-style-type: none"> <li>• Property (Physical Assets) <ul style="list-style-type: none"> <li>✓ Land</li> <li>✓ Buildings &amp; Facilities</li> <li>✓ Plants</li> <li>✓ Other things related to the land required to restore to the owner a property of at least the same quality as that owned prior to the land acquisition.</li> </ul> </li> <li>• Cost &amp; Loss (Non-Physical Losses) <ul style="list-style-type: none"> <li>✓ Transaction costs</li> <li>✓ Moving costs</li> <li>✓ Loss of on-going business (business interruption)</li> <li>✓ Other losses of special nature, subjective and difficult to calculate</li> </ul> </li> <li>• Premium</li> </ul>	No gaps	LARPF provides requirements for compensation options, eligibility criteria, and entitlement for various PAPs categories.
Full Replacement Cost.	Requirement for compensation for land and asset to be at full replacement cost	"Fair and reasonable", based on value assessment made by the licensed, independent appraisers. See above on compensation options	No gaps	The licensed, independent appraisers assess cost and loss of, physical assets, non-physical assets and premium



Elements	World Bank OP 4.12	Law 2/2012	Gaps	Measures to Address Gaps
		and MAPPI's criteria for determining compensation.		
Livelihood Restoration.	The resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are: (i) Offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements; and (ii) Provided with development assistance in addition to compensation measures described in paragraph 6 (a) (iii), such as land preparation, credit facilities, training, or job opportunities.	Once fair compensation given further consideration and impact mitigation are not elaborated.	The Law 2/2012 and its implementing regulations do not elaborate the option and implementation of assistance and livelihood restoration.	LARPF included resettlement assistance and livelihood restoration.
Indigenous Peoples.	Land of Indigenous Peoples is addressed in both OP 4.12 and OP 4.10. If land of IPs is to be taken, requires broad community support and FPIC.	Affected land that privately/individually belongs to Indigenous Peoples is treated in the same way as common people.	Law 2/2012 and its implementing regulations do not differentiate PAPs into groups, origin, or race, etc.	LARPF applies of a subproject involve land acquisition and/or resettlement, regardless of who own the land. Consultation as specified in the LARPF and LARAP should be tailored to the local context and the characteristics of the affected persons (in the case of IPs, it should adopt the FPIC that lead to broad community support).
Resettlement Costs	The full costs of land acquisition and/or resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project.	The land acquisition plan includes cost estimation.	Although Law 2/2012 requires the land acquisition plan to include estimated costs for land acquisition and/or resettlement, but usually it does not include the costs for providing assistance and livelihood restorations. Cost estimation and proposal for budget allocation are carried out at the planning stage, whereby detail surveys for each land plots and measurement are	LARPF and LARAP require that estimated costs for land acquisition and/or resettlement is budgeted based on the social economic survey/census, including the affected assets.

Elements	World Bank OP 4.12	Law 2/2012	Gaps	Measures to Address Gaps
			carried out during the implementation stage of land acquisition.	
Consultation and Complaint Procedures	<p>Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs</p> <p>Grievance mechanisms should take into account the availability of judicial recourses and community and traditional dispute settlement mechanism</p>	<p>Consultations to the PAPs are needed to get permit for the proposed location of the project, for defining forms of compensation. The law and regulations stipulates that process of consultations are carried out with dialogue approach. Negotiations are carried out to agree on the compensation level. The mechanisms to complain due to the disagreement on the compensation is elaborated in the Law 2/2012 and its implementing regulations, including how and where to file complaints, timing for responses, and judicial procedures.</p>		<p>LARAP specifies the requirement of monitoring of the implementation of land acquisition and resettlement activities. The Project is required to monitor and report the preparation and implementation of LARAP (and EMPs and IPPs as well)</p>
Monitoring of outcomes.	<p>Requirement to carry out adequate monitoring and evaluation of all activities set out in the resettlement plan</p> <p>Assess whether the objectives of the resettlement instrument have been achieved, upon completion of the project, taking account of the baseline conditions and the results of resettlement monitoring</p>			<p>LARAP specifies the requirement of monitoring of the implementation of land acquisition and resettlement activities. The Project is required to monitor and report the preparation and implementation of LARAP (and EMPs and IPPs as well)</p>
Land Acquisition and Resettlement Action Plan	Require to prepare a LARAP, either a full LARAP or abbreviated LARAP	Require to prepare a Land Acquisition Plan (LAP) at the planning stage	Coverage of LAP focuses on affected assets; the coverage of the social-economic survey is unclear; and the LAP does not include assistance, livelihood restoration, if needed.	Implementing entity of a subproject requiring land and/or resettlement should prepare a LARAP in compliance with the LARPF in this ESMF

74. The overall objectives and principles for the implementation of physical investment<sup>35</sup> that involves land acquisition are:

- a. Resettlement should be avoided where feasible, or minimized, exploring all viable alternative physical investment designs;
- b. Where it is not feasible to avoid resettlement, activities of land acquisition and resettlement should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the PAPs to share the

<sup>35</sup> The RPF is applicable as guidance for agency/entity and their consultants in preparing and implementing the LARAP for activities supported under Component 1, and Component 4 particularly the ITMPs and DDPs.

physical investment benefits. The PAPs should be meaningfully consulted and should have opportunities to participate in planning and implementing the land acquisition and resettlement programs.

- c. PAPs should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-land acquisition and resettlement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

75. The process of Land Acquisition including public consultations and disclosure as well as grievance redress, based on the Law No. 2 Year 2012 is presented in Figure 4 (preparation stage) and Figure 5 (implementation stage).

76. **Likely category of Project Affected Persons (PAPs).** The framework anticipates that there would be two general categories of PAPs: (1) persons affected by the acquisition of privately owned land; and (2) persons affected who have lived on the government (state or local government)'s land but do not own the occupied land. The last category consists of six types of PAPs: (a) persons who own and occupy dwellings and other structures built on state or government land without any recognizable legal right or claim to the land they occupy; (b) sharecroppers; (c) squatters; (d) renters of dwellings and other structures built on state or government land without any recognizable legal right or claim to the land they occupy; (e) encroachers, i.e., persons who aggrandize or extend their personal holdings by encroaching adjacent state or government land; (f) squatter landlords, i.e. persons who derive illegal rents from structures built on state or government land, but do not occupy such structures. Identification of the PAPs will be done during the preparation of LARAP through the census survey.

77. Another category of PAPs becomes relevant if an investment or a plan involves involuntary access restriction to legally designated parks and protected areas. When Bank-supported projects may cause restrictions in access to legally designated parks and protected areas, a Process Framework is required. The purpose of the Process Framework is to establish a process by which members of potentially affected communities participate in the design of the plan to designate the protected areas, or in the conservation-related physical investment to prevent a legally designated parks and protected areas from further degradation or maintain their functions, in the determination of measures necessary to achieve resettlement policy objectives, and in the implementation and monitoring of such conservation-related physical investment and activities to protect natural resources. The Process Framework is presented in Appendix 3.

78. A LARAP should adopt the following measures to ensure that the PAPs are:

- a. Informed about their options and rights pertaining to land acquisition and/or resettlement;
- b. Consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
- c. Provided prompt and effective compensation at full replacement costs for losses of assets attributable directly to the physical investment.

79. If the impacts include physical relocation, a LARAP should also include measures ensuring that the PAPs are:

- a. Provided assistance (such as moving allowance) during relocation; and
- b. Provided with residential housing, or housing sites, or else, as required and agreed with the PAPs to at least the equivalent of the situation in the old sites.

80. Where necessary to achieve the objectives of land acquisition and resettlement, a LARAP should also include measures to ensure that PAPs are:

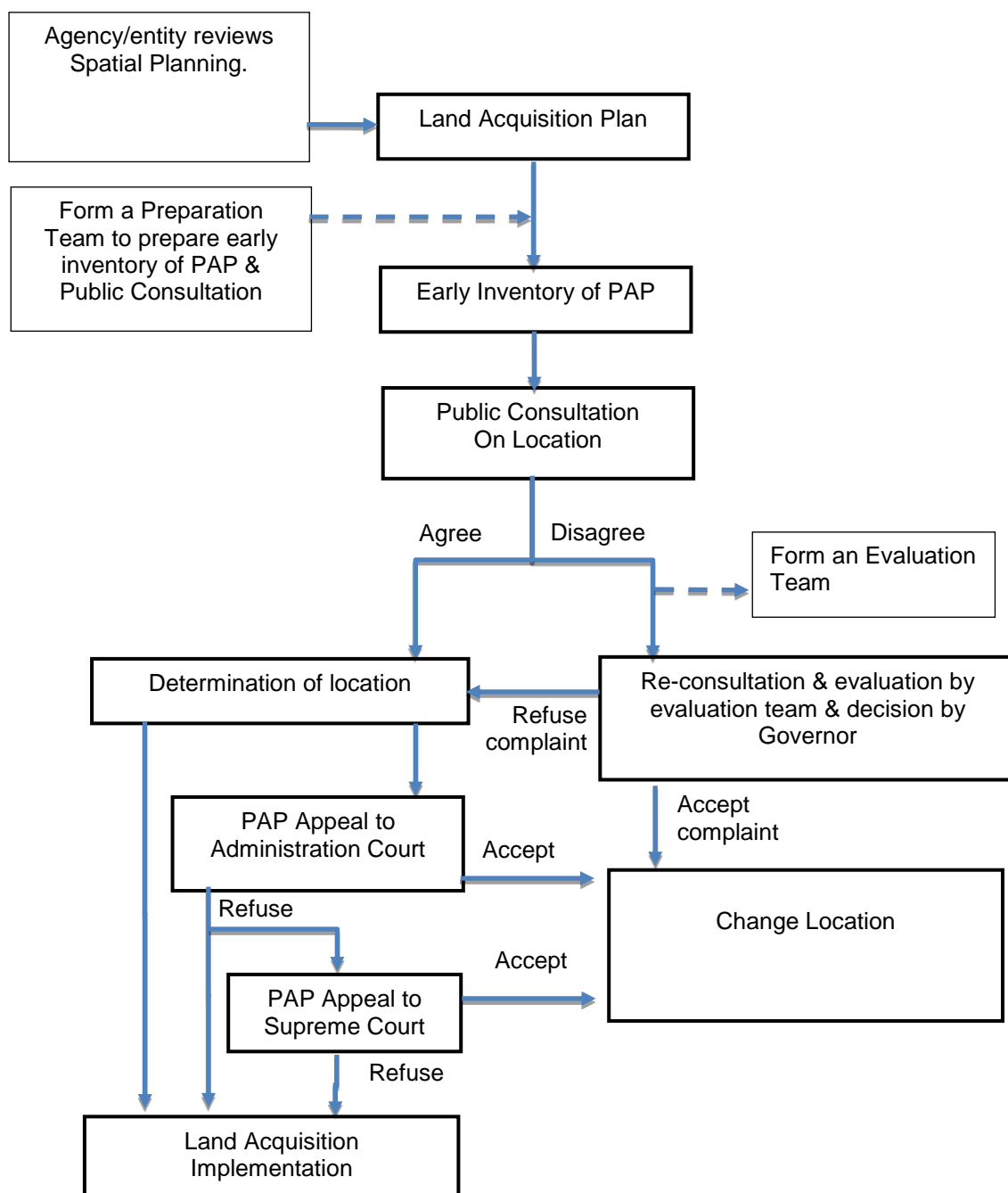
- a. Offered support after displacement for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and
- b. Provided with development assistance in addition to compensation measures.

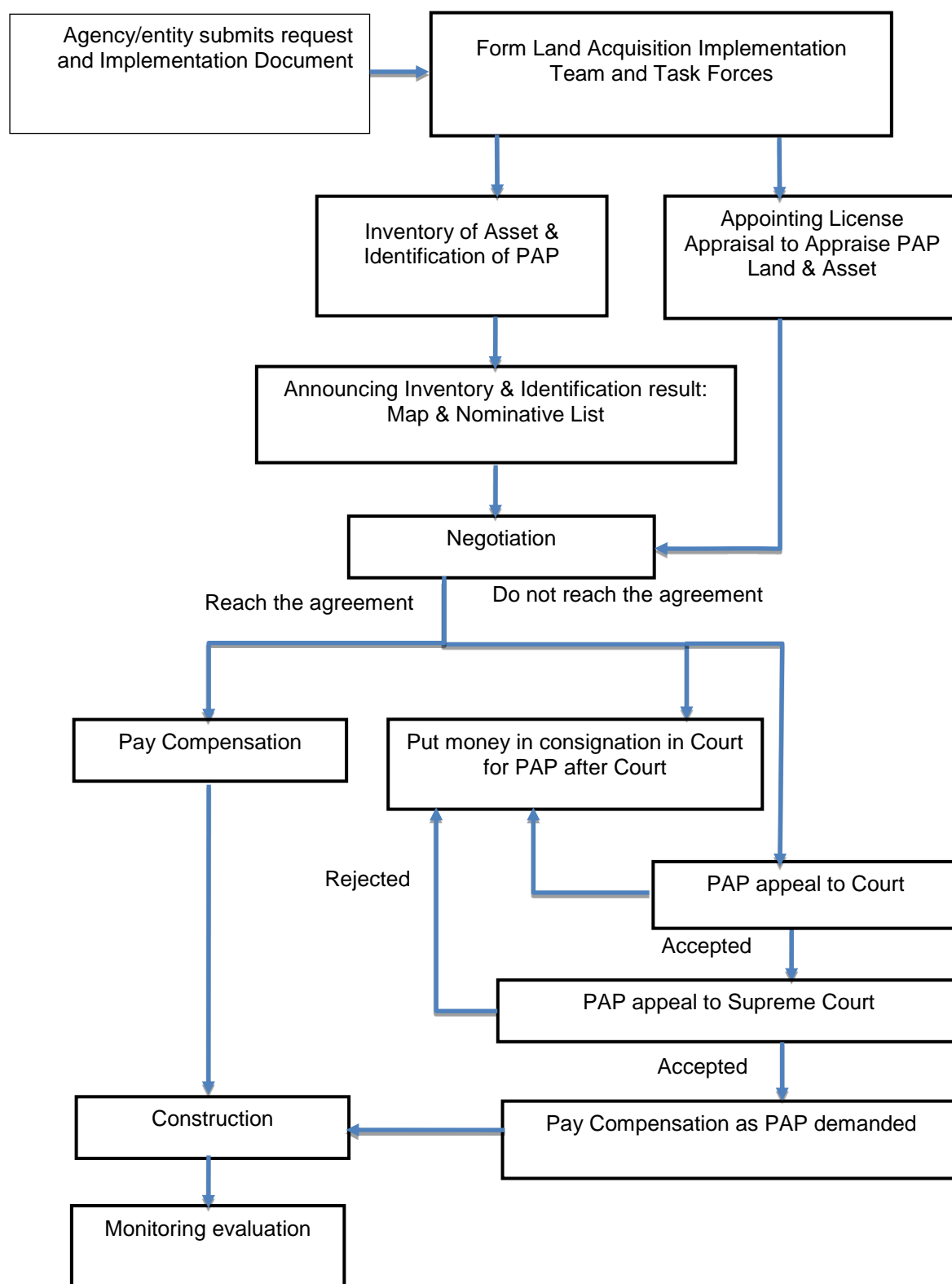
81. Assessment of the potential PAPs who will be affected in the land acquisition and/or resettlement will define whether the implementing entity proposing the investment should prepare a draft full LARAP or an Abbreviated LARAP<sup>36</sup>. The content of a full and an abbreviated LARAPs are presented in Appendix 4. The content of the LARAP is more comprehensive and detail compared to those of in the Land Acquisition Plan prepared at the planning stage as specified in the Law 2/2012. Public Consultations under the law and its implementing regulations is presented in Figure 4.

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<sup>36</sup> As of OP 4.12, the need for a full LARAP versus an abbreviated LARAP refer to the level of significance of impacts, based primarily on the number of PAPs.

**Figure 4 Process of Land Acquisition in the Investment Implementation Stage**



**Figure 5 Process of Land Acquisition in the Investment Implementation Stage**

82. Once a physical investment is selected, the implementing entity proposing the investment needing the land should prepare the draft full LARAP or the draft Abbreviated LARAP. If needed, the Project Management Support Consultant that assists RIDA will help the implementing entity to develop the Terms of Reference for the consultant who will help it in preparing the LARAP.



83. **Eligibility criteria for defining various categories of PAPs.** PAPs eligible for compensation for the affected assets are identified when the location of the physical investment is formally defined by the Governor Decree, they are those (a) who have land rights ownership; (b) who have land management/use ownership; (c) who have “nadzir” for the donated land of “wakaf”; (d) land owners for land that used to be owned by *adat*; (e) “*masyarakat hukum adat*” (*MHA* or *Masyarakat Adat* or *Masyarakat Tradisional*); (f) those who hold control of government land with good intention; and/or (h) those who own buildings/structures, plants, and other objects related to the land.

84. **Methods of valuing the affected assets.** As required by Law No. 2 Year 2012 and its implementation regulations, the values of affected assets will be assessed by licensed, independent appraisers who will be assigned by the Head of the Land Acquisition Implementation Team. The selection was done by the implementing entity who needs the land through the national procurement regulations. The values defined by the licensed appraisers will be used as a basis for negotiation with the PAPs. Types and compensation level will be defined based on the negotiation results between the implementing entity proposing the investment/physical investment and the land/property owners. Value assessment will be carried out on per affected land plot basis which includes land, the space above and beneath land, buildings or structures, plants, objects that relate to the affected land, and/or other loss that can be valued (e.g. non-physical loss that can be equivalent with monetary value; loss of jobs or income earning sources, cost for moving, cost for change of profession, and value for remaining property). The remaining property that is no longer physically or economically viable/habitable/usable can be compensated if the owners prefer to do so.

85. Land valuation/appraisal by the licensed, independent appraisers will be carried out based on the MAPPI<sup>37</sup> Standards as specified in the MAPPI Guidelines<sup>38</sup>. Compensation is comprised of market price plus transaction costs and other costs plus premium, in more detail as follows:

- a. Physical assets: land, buildings, structures, facilities, and plants, and other things related to the land acquired to restore to the owner a property of at least the same quality as that owned prior to the land acquisition;
- b. Non-physical assets: loss of jobs, loss of businesses, conversion of profession, emotional loss (*solatium*), transaction costs, interests, loss of remaining land, and other physical damage;
- c. Premium: calculated from loss of jobs, loss of businesses, conversion of profession.

In principle, the details of physical and non-physical valuation methods undertaken by the licensed independent appraisers are presented below.

Table 14: Valuation Methods

Object	Basis for valuation
Land	Market price and/or income lost
Building	The cost of making new building with considering the different between compensating new building and deteriorated building
Plant	Market price: The price of one cycle of harvesting The price in the market based on related institution price standard; Or cost based price: The cost of growing the plant up to present (before harvesting)
Transaction cost	Moving cost, tax, notarial cost
Waiting compensation	Bank deposit/lending interest
Unutilized residual parcel	Market price

<sup>37</sup> Indonesian Society of Appraisers (ISA)

<sup>38</sup> Indonesian Valuation Standard (SPI) 306 which also refers to International Standards

Object	Basis for valuation
Other damage	Recovery cost
Total	Cannot be less than non-speculation market price and based to the existing regulation Reflecting the real value of the property for the owner (PAP)
Premium cost	Premium cost due to unwilling to sell and considering invaluable cost (20 - 40 % of total physical price estimation)

86. Entitlements Matrix for the Project Affected Persons can see in Table 15 below:

Table 15: Entitlements of Project Affected Persons

Project Affected Persons	Entitlements
Land/asset owners who lose land and/or other assets (including buildings, structures, utilities, trees, etc.) and loss of income	Compensation for loss of land and other assets attached to the lost land, based on value assessment carried out by licensed appraisers;
Land/asset owners who lose temporarily or permanently their sources of income or livelihoods	Compensation for loss of sources of income or livelihoods based on value assessment for non-physical carried out by licensed appraisers and facilitation for livelihood restoration
Persons who own and occupy dwellings and other structure built on state or government land without any recognizable legal right or claim to the land they occupy	Compensation for loss of dwellings and other structure, for income sources or livelihoods and resettlement assistance, based on the assessment of the licensed appraisers <sup>39</sup>
Renters of dwellings and other structures built on state or government land without any recognizable legal right or claim to the land they occupy	The project provides sufficient time (at least 2 months from the cut-off date/at the time of census survey) for the renters to find another place or other assistance agreed by renters and agency/entity which may include moving allowance and transition allowance and livelihood assistance.
Sharecroppers	Assistance to livelihood restoration
Squatters	Compensation for building and structures. Assistance to livelihood restoration and facilitation to access public housing and transition and moving allowance as well as improvement to site.
Encroachers, i.e., persons who aggrandize or extend their personal holdings by encroaching adjacent state or government land	Compensation for building and structures. Assistance to livelihood restoration and facilitation to access public housing and transition and moving allowance as well as improvement to site.
Encroachers who entered the project area after the publicly announced cut-off date	Not entitled to any compensation

87. **Forms of compensation.** Compensation may take several forms: (a) cash; (b) land replacement/swap; (c) resettlement to other site; (d) shares ownership; or (e) other forms of compensation that are agreed both by the PAPs and the agency/entity requiring the land. Preferred compensation forms depend on the preference of the PAPs and compensation may take combination of these depending on the agreements between the PAPs and the agency requiring the land.

88. **Consultations and disclosures.** Consultations and disclosures for acquiring land start from the planning, preparation, and implementation phase. In summary, Law No. 2/2012

<sup>39</sup> There was an issuance of Presidential Regulation 56/2017 (May 31, 2017) on “Handling Social Impacts for the Provision of Land for National Strategic Projects”, compensation for those occupying government and state land, recognized having occupied such land for continuously at least ten years, compensation includes cost for dismantling houses, mobilization, house rent and support for income loss, and they are defined based on valuation of an independent party.

and its implementing regulations<sup>40</sup> specify that consultations should be carried out in the following activities:

- a. At planning stage: plan of the location of physical investment, purpose of the development, steps and time frame for land acquisition, roles of licensed appraisers in the asset valuation, forms of incentive or compensation that would be provided for the PAPs, eligible assets or object for compensation (physical and non-physical including premium), compensation for community facilities, and responsibility and rights of the eligible PAPs. Consultations will use public meetings, media, and information in the closest villages. Consultations will adopt a dialogue approach, and can take place more than one time, depending on the need and agreement reached. Agreement will be put in writing. The defined physical investment location requiring land will be disclosed to public in the media, on the websites of the provincial and city government, as well as on the website of the agency requiring the land.
- b. BPN will consult the owners of the asset during the inventory and the identification of the affected assets. Results of the inventory will be disclosed in the village/*Kelurahan* and *Kecamatan* offices for maximum of 14 days to get confirmation and receive complaints.
- c. Information on the results of asset valuation done by the licensed appraisers will be provided to the PAPs and used as the basis for negotiations.
- d. Draft and final LARAP will be disclosed in the closest village/*kelurahan* where the physical investment requiring land acquisition is located, on the websites of the local agency and/or in Implementing Agency's website.

89. **Grievance Redress Mechanisms (GRM).** Process, procedures, requirements as well as time for complaints to be solved during the land acquisition process will follow the Law 2/2012 and its implementing regulations (including amendments). In addition, the agency/entity has to use the existing complaint handling system, if any, or establish a new one to receive and respond to complaints. In principle, objection to any aspect of the physical investment and land acquisition will be addressed through consultations to reach an agreement and settlement, and be resolved as much as possible at the site of the physical investment. Relevant institutions, such as the district/city, sub districts and villages governments will be involved in addressing the complaints, as necessary. When the grievance cannot be addressed, it will be resolved through litigation procedures as set forth in Law No. 2/2012 and Presidential Regulation No.71/2012. There is no fee charged to the complainant. Grievance acceptance and the follow-up mechanism will ensure cultural and gender sensitivities of the entitled parties. Complaints and their follow-up should be recorded and documented and included in the biannual implementation progress report prepared by the entity and submitted to RIDA, and the Technical Committee and the World Bank (Chapter 7).

90. The LARAP should include a clear grievance redress mechanism for the PAPs. It should specify the contact or venue to file complaints that are widely disseminated, service standards to respond to complaints, and documentation.

91. **Organizational arrangements.** Organizational arrangements for the process of acquiring land will follow Law No. 2/2012 and its implementing regulations (including amendments). The Law stipulates that the land acquisition process involves four stages: planning, preparation, implementation, and handover of the acquired land to the agency/entity needing it. The land acquisition process during preparation and implementation stage is presented in Figure 1 and 2, respectively.

92. Once an investment is selected, the entity proposing the physical investment needing land should prepare the draft full LARAP or the draft Abbreviated LARAP. LARAPs will be prepared based on the information provided by the Land Acquisition Plan and Inventory and

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<sup>40</sup> For details please refer to the law and implementing regulations specified in the paragraph 34.

Identification Report of the BPN. The final LARAP will be signed off by the Mayor/District Head and the entity requiring the land. The land acquisition process should be completed prior to the start of the construction.

93. The implementing entity who needs the land carry out the selection process of the licensed, independent appraiser through a procurement process based on Indonesian regulations. The Head of the Land Acquisition Implementing Team (BPN) will assign the appraisers selected by the implementing entity. The appraisers will calculate the values of the physical and non-physical assets based on the Indonesian Valuation Standards (SPI) 306. Refer to Table 9. As mentioned earlier, the compensation level of the affected assets will be used as a basis for negotiation.

94. The agency/entity needing the land will pay the compensation as agreed in the negotiation. BPN will hand over the acquired land to the agency/entity once all compensation is paid and/or compensation is consigned in the court (for those who insist to disagree on the compensation). In practice, prior to consignment, the entity needing the land and BPN adopt persuasive approach to those who do not accept the compensation. Similarly, the court who receives consignment use persuasion approach to the consignees to accept the compensation. By law, once the handover process is completed, the entity needing land can proceed with construction.

95. The relevant safeguards document for physical investments that do not entail large-scale resettlement is the abbreviated LARAP (see Table 16), whereas those involve large-scale resettlement, the agency/entity need to prepare a full LARAP. The Table is a guidance for agency/entity who will implement the physical investment under Component 1 or those recommended by the ITMPs (including DDPs) and the Sectoral Master Plans.

Table 16: Instruments for the Land Acquisition and Resettlement Action Plan

Number of Project Affected People (PAP)/Land Owner	Instrument
<p>&gt; 200 people (or &gt; 40 households) or eliminating &gt;10% of their productive asset, if land acquisition has not taken place at all</p> <p>≤ 200 people (or ≤ 40 households) or eliminating ≤ 10% productive asset, without relocation, if land acquisition has not taken place at all</p> <p>In the case that an entity has prepared a Land Acquisition Plan (LAP) or Land Acquisition and Resettlement Action Plan (LARAP) prior to investment/ physical investment appraisal</p>	<p>Full LARAP*)</p> <p>Abbreviated LARAP**)</p> <p>Review of the LAP or LARAP, should there be any gaps with the requirements specified in this LARPF, the entity need to revise/update this document in compliance with the LARPF</p>
<p>In the case that the entity proposing the physical investment has already acquired land, partially or wholly</p> <p>In the case a conservation-related physical investment is planned or the ITMPs or Sectoral Master Plans' recommendation to protect important natural resources and hence, designate it as protected areas resulting in involuntary access restriction for the community to the designated parks or protected areas</p>	<p>Tracer Study. If there is a gap between the land acquisition process and the requirements specified in this LARPF, a Corrective Action Plan needs to be prepared</p> <p>A Plan for Action in reference to the Process Framework (Appendix 3)</p>

Note:

\*) \*\*) Outlines are presented in Appendix 4

96. **Review of LARAP.** A LARAP or any instrument (specified in Table 16), in a form and substance in compliance with the LARPF prepared by the agency/entity proposing the physical investment will be reviewed by RIDA and the World Bank. The LARAP (or other instruments

above) should be revised in accordance to the requirements specified this LARPF, in the case there is gaps between it and the LARPF.

97. **Financing arrangements.** Funds should cover compensation, operational, and supporting costs during the planning, preparation, implementation, handover of results, administration and management, and socialization. In principle, the funding will be available from the central government budget (APBN) and/or local government budget (APBD) or combination of these, under the implementing entity who needs the land. Requirements for the operational and supporting budget from APBN is regulated by the Ministry of Finance, whereas that from APBD is regulated by the Ministry of Home Affairs.

98. The relevant elements of the LARAP should be included in the Bidding document for contractors which will be prepared by the entity who will implement the physical investment supported under Component 1 and those that are recommended by the ITMPs including DDPs and Sectoral Master Plans. Estimated costs for LARAP implementation should be included in the physical investment costs by the implementing entity of the physical investment.

99. **Monitoring, Evaluation and Reporting.** Implementation of LARAPs by the entity implementing the physical investment will be regularly monitored and reviewed by the RIDA. Status and any pending issues as well as follow-up actions to be taken to address such issues will be included in the RIDA's biannual report. RIDA will focus its monitoring and review on main indicators as specified in the approved LARAPs, which includes among others: (a) consultation process; (b) eligible PAPs; (c) agreed compensation level and forms; (d) payment of compensation and delivery of assistance; (e) implementation of livelihood restoration plan; (f) follow-up on the legal process of the acquired land/remaining land; (g) the effectiveness of complaint handling mechanisms; (h) number, type of complaints and follow up; (i) disclosures of the LARAPs and transparency during the process of land acquisition; etc. RIDA will share with the Bank the bi-annual report and information provided in the report will be used as a reference for Bank's supervision.

100. **Others forms of land access.** The amendment of Presidential Regulation No. 71 Year 2012 on Land Acquisition (Presidential Regulation No. 40 Year 2014) allows that land acquisition for an area less than 5 ha can be carried out directly by the entity requiring the land based on willing-buyer-willing-seller principle, exchange, or other schemes agreed by the two parties. In this case, the required land should be located in one area, and can be obtained in one fiscal year. The entity requiring the land has to use licensed, independent appraisers to assess the affected assets and other losses. The RIDA will undertake due diligence to ensure that such transaction meets the requirements specified in the LARPF. It will review in a protocol the criteria, conditions and process for willing buyer willing seller transactions as well as land access agreements or land donation agreement.

### **Land legacy issues**

101. The planning area of the ITMPs and DDPs might have some sites with land legacy issues. In this case, the consultant of the ITMPs should carry out an assessment to:

- (a) identify the sites (with map) with land legacy issues during the development of baseline information;
- (b) assess the potential impacts, risks and opportunities should such sites be included in the ITMPs and DDPs;
- (c) assess options for possible solutions, each with its risks and opportunities;
- (d) provide historical background, identify legacy issues and status of solutions that have been achieved by the local government and the likely solutions in the future

102. The assessment should be done in close discussions with the relevant local government agencies (could be provincial or district or cities), and carry out site visits and interviews with relevant stakeholders. Report of this assessment will be part of the information



for the ITMPs consultant team that should be used as key consideration in analyzing and developing development scenario in the ITMPs and in recommending land development and physical investments in the DDPs.

103. The ITMPs consultant team will submit the Draft Legacy Assessment Report to RIDA. RIDA will consider the available options for resolving the legacy issue, taking into account the severity of issues and the feasibility of actions required to resolve them. RIDA will identify its preferred approach and consult with World Bank for its concurrence or further discussion.

104. Possible options that might be feasible to proceed with the ITMPs and DDPs include: (a) retain the sites with legacy issues in the planning area with clear and agreed measures to mitigate risks as part of the provisions in the ITMPs and DDPs; (b) exclude/screen out the sites with legacy issues from the planning area, with provisional measures to avoid associated risks with the remaining planning area; (c) combination of (a) and (b) for the case that an acceptable solutions through phased-resolutions (issues can be solved one after the other gradually with clear time frame) can be defined based on the Indonesia regulations.

### 5.3 INDIGENOUS PEOPLES PLANNING FRAMEWORK (IPPF)

105. In the case that a physical investment supported by Component 1 and those recommended by the ITMPs, DDPs and sectoral plans is located in areas with presence of IPs, the agency/entity/proponent of the physical investment implementing such investment must prepare an Indigenous Peoples Plan (IPP). In the case that physical investment needs to acquire land belonged to IPs community or individual of the IPs community, the LARPF in Section 5.2 above applies. As in the case of environmental and land acquisition and/or resettlement impacts, potential adverse impacts and positive effects of the physical investment on IPs, or involvement of IPs as beneficiaries will be identified once the land use development (for ITMPs and DDPs under Component 4) and/or physical investment area of influence are defined.

106. This framework takes into account issues related to IPs as included in the following Law and Regulations:

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#### LAWS AND REGULATIONS RELEVANT TO INDIGENOUS PEOPLES

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1.	Law No. 5/1960	Agrarian Basic Principles. This Law defines the fundamental types of rights that may be held by private individuals and entities. This Law describes the roles of the state with regard to its direct use of land as well as its regulation of private rights and private uses of land. This Indonesia's agrarian law recognizes " <i>adat</i> " law, or Indonesia customary law, as long as it does not conflict with the national interest or other regulations set out in this Law.
2.	Law No. 41/1999 on Forestry, which has been amended through Law No. 19/2004.	Article 1 point 6 of Law No. 41 Year 1999 on Forestry has been changed by the Constitutional Court Decision No. 35/PUU-X/2012 and has now become "customary forest is a forest located within the area of an indigenous community." Before, the word "state" was in the article. With the elimination of the word "state" from the definition, now it is understood that customary or <i>adat</i> forests are now no longer a state forest.
3.	Law No.18/2004 on Plantation	This law recognizes the <i>MHA</i> which in reality still exist if they meet the following characteristics: (a) they are a community which exist in the form of a " <i>paguyuban</i> " ( <i>rechtsgemeinschaft</i> ); (b) they are governed by an <i>adat</i> institution; (c) they have a clear <i>adat</i> territory; (d) they have an institution and legal instruments, particularly customary judicial system; and (e) their existence is confirmed with a local regulation. In the case that land needed

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		for the plantation constitute of a customary land rights of MHA who in reality still exist prior to the process of land rights to be given to an entity for a plantation use, such entity shall consult with the MHA and community who have the rights on such customary land to agree on its submission and compensation.
4.	Law No. 32/2009 on Protection and Management of Environment	<p>This law acknowledges <i>MHA</i> as community groups which have been settled and living for generations within specific geographic areas due to their attachment to the origin of their ancestors; strong relationship with their environment; and due to the existence of a value system that determines the economic, political, social and legal institutions.</p> <p>In protecting and managing the environment, the government (central, provincial and local) is assigned and has the authority to establish a policy on the procedures to recognize the existence of <i>MHA</i>, local wisdom and <i>MHA</i>'s rights in relation to protecting and managing the environment.</p>
5.	Village Law No. 6/2014	This Law acknowledges the existence and rights of <i>Masyarakat Hukum Adat (MHA)</i> , provided that they are recognized and <i>MHA</i> could opt to established <i>adat</i> villages with their own institutional structures and authority although this law suffers from the lack of guiding regulations and institutional mandates to make such provisions operational. The Law grants a <i>desa adat</i> the authority to conduct <i>adat</i> -based public administration. Compared to other laws, the law adopts optional, non-cumulative criteria for recognition of <i>MHAs</i> with the existence of territory being mandatory.
6.	Law No. 27/2007 on Coastal Zone and Small Island Management, changed into Law No.1/2014	Law No. 27/2007 acknowledge MA, and Law No.1/2014 changed the term MA to MHA with clearer definition. Both Laws acknowledge the existence of MHA (previously called MA) provided they are recognized and requires consultations with MHA for any development in coastal areas. These laws stipulate specific provisions on public consultations for the development of coastal management plans. Such consultations stress the needs for accuracy, transparency, and access to information. Conflict resolution can be handled through customary ways.
7.	Law No. 23/2014 on Local Government	This Law recognizes the existence of <i>adat</i> institution ( <i>lembaga adat</i> ) by giving it rights to “empowerment”. Second, the Law determines that <i>adat</i> law is an additional rule for particular purposes such as village elections. Third, the Law makes <i>adat</i> or <i>adat</i> law the basis upon which to conduct local development, or as a parameter to measure social cohesiveness.
8.	Law No. 11/2010 on Cultural Heritage	This Law recognizes MHA as the owners of their cultural heritage and grants them the authority to manage it. The law requires observation and data collection on cultural heritage that may be affected by project activities.
9.	Regulation of Ministry of Forestry No. P.39/Menhut-II/2013 on Local Community Empowerment Through Forest Partnership	Empowerment through Forest Partnership is an effort to enhance local communities' capabilities and autonomy to benefit from forest resources in an optimal and equitable way to increase the welfare of local communities. This regulation requires forest concession holders to engage in partnership with communities based on the principles of mutual agreement, participation, transparency, and trust. Such benefit sharing schemes may include smallholder plantations, livelihood activities, training, facilitation, etc. However, for these communities to be able to engage in the schemes, they need to

		provide valid proof of identification (ID card, or reference letter from the village head) and reside within the concession areas, demonstrate reliance on natural resources, and have capacity to engage in productive and sustainable activities.
10.	Regulation of the Minister of Spatial Development / National Land Agency No. 9/2015 on the Procedures for Determination of Communal Land Rights of MHA and Communities Located in a Specific Area	This regulation contains the procedures for the determination and transitional provisions for communal land rights of MHA and local communities located in a specific area. It stipulates the requirements and criteria for confirming the MHA's communal land rights and community's land rights, outlines the procedures and requirements to apply for the land rights for MHA and community who lives in the specific area, identification, verification and field check, and reporting and determination of communal land rights as well as requirements for the MHA and the communities in the specific areas to manage the land that has been given rights.
11.	MOHA Regulation No. 52/2014 on the Guidelines for Recognizing and Protecting MHA	This regulation contains the guidelines for protecting indigenous groups, starting from the formation of the committee, the stages of recognition and protection, dispute resolution, guidance and supervision, as well as its funding.

107. **Objectives.** The main objective of this IPPF is to help ensure that land use development and/or physical investment is designed and implemented in a way that fosters full respect for IPs' identity, dignity, human rights, livelihood systems, and cultural uniqueness as defined by the IPs themselves to enable them (i) to receive culturally appropriate social and economic benefits; (ii) do not suffer adverse impacts as a result of the physical investment and can position themselves among the fast changes due to the rise of tourism; and (iii) can participate actively in the physical investment. This IPPF safeguards the rights of IPs to participate and equitably receive culturally appropriate benefits from the physical investment. An IPP will be prepared if a subproject affects (positively or adversely) IPs communities. This IPPF applies to physical investment in the tourist destination areas financed under the Project, irrespective of financing sources.

108. The specific objectives of this framework are to:

- a. Ensure that IPs participate in and benefit from the physical investment under Component 1 and those as recommended by the ITMPs, DDPs and sectoral plans;
- b. Avoid or minimize potentially adverse effects on IPs, and if it is unavoidable, develop and implement mitigation measures based on FPIC resulting in broad supports from the impacted IPs communities;
- c. Maximize the potential positive effects of the IPF Project on the IPs, based on FPIC with the IPs ensuring that the design and implementation of the physical investment incorporate aspirations and needs of the IPs.

109. There is no universally accepted definition of IPs. In different countries IPs may refer to by such terms as "Indigenous ethnic minorities," "aboriginals," "hill tribes," "minority nationalities," "scheduled tribes," or "tribal groups." In this IPPF, the term "Indigenous Peoples" is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- a. Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- b. Collective attachment to geographically distinct habitats or ancestral territories in the physical investment area and to the natural resources in these habitats and territories;

- c. Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture;
- d. An indigenous language, often different from the official language of the country or region.

110. The term “Indigenous Peoples” is often associated with “*Masyarakat Hukum Adat*” (or *MHA*—Customary Law Communities), or “*Masyarakat Adat*” (or Customary Communities), or “*Masyarakat Tradisional*” (or Traditional Communities) which is common terminology used in Indonesian laws and regulations to describe groups of people with similar characteristics as those IPs specified above. Ascertaining whether a particular group is considered as Indigenous Peoples, one should use the above criteria, and for the purpose of this IPPF, may require professional judgement.

### **Screening and Assessment of Potential Impacts on IPs**

111. Procedures and institutional arrangements. IPs communities are not prevalent in all of the physical investment sites—they are likely to be found in particular village(s) of kabupaten/districts in particular provinces. Social and cultural experts assigned to the IPP team will screen for IPs presence based on the World Bank IPs Screening Study 2010. Further screening will be done based on the criteria of IPs specified in the IPPF in this ESMF, and criteria of *Masyarakat Hukum Adat/Masyarakat Adat/Masyarakat Tradisional* summarized from the relevant Indonesian regulations and local values. The following steps will be taken to ensure that, where IPs communities are present and affected by the physical investment, the investment caters to their specific needs.

- a. Once the area for an investment is defined, screening activities for the presence of IPs will be conducted to verify and confirm the presence of the IPs in reference to the above characteristics. In doing so, the assigned social development specialist will consult experts, local universities, or NGOs who have good knowledge or have worked on IPs in the area and use available references, e.g. World Bank IPs Screening Study 2010 and other sources. Further, the assigned social development specialist will consult the communities concerned and neighboring communities to confirm that there are IPs present.
- b. In the case that the presence of IPs is confirmed and they will be part of or affected by the physical investment, the assigned social development specialist will carry out a social assessment (SA), based on free, prior, and informed consultations (FPIC—refer to Appendix 6 on the details) with the affected IPs communities that will lead to broad support of the IP community. The format and contents of the SA is provided in the Appendix 7 of this ESMF. Potential adverse and positive effects of the physical investment will be identified during the SA preparation.
- c. IPP will be prepared based on this IPPF in the case that the physical investment affects (positively and/or adversely) IPs. In the case that IPs constitute the beneficiaries of the physical investment, the design and implementation of the physical investment(s) will accommodate the aspirations and needs of the IPs. In this case, the principles of FPICs and participation will apply. The format and content of IPP is provided in Appendix 8 of this ESMF.
- d. For the areas where IPs communities are identified, the RIDA will assign a social development specialist who has experienced in working with or on IPs. The specialist will assist RIDA to organize training, if needed, for relevant consultants preparing planning documents in how to work with IPs communities in a meaningful way to identify mechanisms for effective participation through FPIC and to address specific challenges in working with such groups on, for example, how to deal with groups that may be in conflict with the larger community, etc.

- e. Since consultants will be hired locally to the extent possible, they are expected to be familiar with such groups. Preference will be made to recruitment of local people with skills and qualifications fit to the physical investment.
- f. Where IPs communities are identified, efforts will be made to ensure that at least one Community Cadre is from the group and able to communicate easily with the group.
- g. Where the IP community speaks a language different from Bahasa Indonesia, facilitation and socialization will be held in a language that these communities can easily understand. Relevant brochures and documents will be translated in the appropriate language. Provision will be made in the physical investment budget to allow for additional translations of relevant documents.
- h. The above aims at ensuring that IPs communities participate fully in the physical investment with FPIC, are aware of their rights and responsibilities, and are able to voice their needs during the social assessment and in the formulation of the IPP. The World Bank's Social Development Specialist can be consulted to ensure that the above steps are implemented and well documented during physical investment implementation.

112. The entity with the assistance of the Social Development Specialist will assess whether the physical investment will affect the identified IP communities. A Social Assessment needs to be prepared by mapping the characteristics of IPs communities and by assessing potential impacts and aspirations and needs of the IPs communities. The Social Development Specialist will be responsible for preparing an IPP in case that the proposed physical investment affects IPs communities. In the case that IPs communities are the sole or major beneficiaries of the proposed physical investment, an IPP is not needed; instead, all aspirations and needs of the IPs communities are part of the physical investment design.

### ***Preparing Social Assessment and Indigenous Peoples Plan (IPP)***

113. The Social Development Specialist will conduct a screening of the impacts (both positive and adverse) that may be caused by a physical investment to determine what measures should be taken and management instruments should be prepared. For a physical investment that affects IPs (whether adversely or positively), an IPP will be prepared in compliance with the IPPF. The scope and content of the IPP will be proportional to the physical investments and their impacts. The IPP is prepared with the participation of affected communities through a social assessment and FPIC process, and demonstrates broad support to the physical investment and the IPP (guidance of preparing a Social Assessment and IPP is provided in Appendix 7 and 8, respectively). If all of the beneficiaries of a physical investment are IPs, an IPP is not necessary. In this case, elements of an IPP will be incorporated into the design of the physical investment.

### ***Consultations and Social Assessment for the ITMPs and Sectoral Plans/Studies***

114. The RIDA will carry out public consultations on the TOR for ITMPs (this has been done—refer to Section on Public Consultations) and the RIDA, with the support of the ITMP Consultant, will consult on the Drafts ITMPs at the central level, and in three destinations (Lombok, Borobudur-Yogyakarta-Prambanan, and Lake Toba, and—should the government decide so—could do the same for other destinations later on if the preparation of ITMPs are expanded to other destinations). A network of *Masyarakat Adat* such as AMAN (*Aliansi Masyarakat Adat Nusantara* or Indigenous Peoples Alliance of the Archipelago), local universities, representatives of the IP communities, as well as identified NGOs interested in and who have experienced in working with IPs will be invited to the public consultations, except in Borobudur destination where there is no IPs identified presence in this destination. Prior to consultations, the draft TOR for ITMPs and draft ITMPs both the English and Bahasa versions will be shared with the invitees (through websites or hard copies), including those four group

of stakeholders. Follow-up consultations exclusively with a smaller group of those four stakeholders or with the IP communities (Focus Group Discussion, FGD) would be carried out once the necessity to do so is decided during the earlier public consultations. The ITMP Consultant will facilitate the public consultations and the FGD consultations. If necessary, the RIDA will hire a local facilitator who is familiar with the IPs and related issues to facilitate the group consultations.

115. As needed, in addition to above consultations with the potentially affected IPs will also be carried out by the ITMPs consultant team during the preparation of the draft ITMPs (including DDPs), particularly during the development of baseline, identifying and assessing potential impacts of three development scenario, in developing proposed land use development/physical investments and their potential impacts, and in developing schemes if the proposed development plan involves commercial development of the cultural resources and knowledge on IPs or restriction to the use of natural resources. These consultations should be carried out through a FPIC that lead to broad community supports on the development scenario and that lead to agreement to use of IPs' resources prior to the proposed development is recommended in the ITMPs. Consultations will be done in a less formal way through focus-group discussions, inclusive (gender, inter-generational, the vulnerable), and with two-way dialogues between the ITMPs consultant team and the affected IP communities. If necessary, the consultant team may use local facilitator who can speak local language and understand the IPs cultural practice to facilitate the consultations.

116. The ITMP Consultant will document all consultations and all relevant inputs, suggestions and concerns as well as agreements of the consulted IPs and they should be part of the provisions/considerations in developing the three development scenarios, the DDPs and use of the cultural and natural assets of the IPs in the tourism development as identified in the ITMPs (including DDPs). The ITMP Consultant will analyze the relative vulnerability of, and risks to the affected IP communities given their distinct circumstances and close ties to land and natural resources, as well as their lack of access to opportunities relative to other social groups in the communities or tourist destination in which they live. Documentations of the results of the consultations with IPs will be attached in the ITMPs.

117. *Consultation of the TOR for ITMPs.* During consultations of the TOR for ITMPs, RIDA will explain to the participants on the objectives, scope, methodology, process and expected outputs of the ITMPs (including DDPs). In addition to other issues, RIDA will specify the plan that IPs will be consulted and taken into account in the development process of ITMPs and in defining the selected scenario plan as well as in determining the recommended land use/physical investment plans. There will be at least three activities which need meaningful consultations with IPs: developing baseline data/information on the IPs presence/characteristics, identification of potential environmental and social impacts on IPs in the three development scenarios in the ITMPs and land use/physical investment plans in DDPs, and consultation plan during the preparation of the ITMPs. In this consultation, RIDA will invite participants to provide information or suggestion on the focus area or IPs to work with and sensitive issues that need to be given special attention to during the preparation of ITMPs.

118. *Consultation of the Draft ITMPs.* During the public consultations and FGD consultations (as needed) on the draft ITMPs, RIDA/ITMPs consultant team will explain the extent to which the draft ITMPs (including DDPs) have incorporated IPs issues, suggestions and concerns collected during the TOR for ITMPs consultations and during the process of ITMPs preparations. RIDA/ITMPs consultant team will verify and confirm with the stakeholders/participants that the proposed three development scenarios as well as the selected one, land use development/physical investments and alternative mitigation measures to address the potential environmental and social impacts have taken into account the suggestions, concerns and broad support of the IP communities that had been obtained during the previous consultations.



119. In summary, to ensure that the ITMPs (and DDPs) and support to designing investment carefully consider the sensitivities of cultural tourism and unintended consequences, the following are the key measures that the RIDA (with the assistance of the PMS Consultant) and ITMPs consultants, as far as IPs are concerned, need to take into account:

- Meaningful, participatory, inclusive and culturally appropriate consultations with the identified potentially affected IP communities during the preparation of the plans, with FPIC that lead to broad community supports on such plans;
- Involve local facilitators, NGOs and/or universities who have experienced in working with the IP communities, can speak the local language and understand the cultural practices of the IP communities;
- Provide the IP communities with as detail as possible available information on the process and expected outputs (land use development and physical investment, as well as use of the IPs cultural assets, values and knowledge on IPs) of the plans and the likely positive and adverse impacts on them as early as possible prior to consultations;
- Seek broad support from the IP communities through iterative participatory decision making process, and reconfirm their supports or agreements during the process of the development of the plans;
- Document the FPIC processes, results and agreements (or disagreements) and record this in the Social Assessment and in the IPP;
- Disclose locally the Social Assessment and IPP to allow all members of the IP communities aware of the process and results that they have been engaged with;
- Use tools (such as brochure in local language with pictures) that are easily understood by the IP communities for consultations.

### ***Social Assessment for Physical Investment Recommended by ITMPs, DDPs, and Sectoral Plans***

120. The presence of IPs communities in the physical investment sites requires the agency/entity to conduct a Social Assessment to evaluate the physical investment's potential positive and adverse effects on the IPs, and to examine physical investment alternatives where adverse effects may be significant. A Social Assessment commences with a review of the legal and institutional framework that defines IPs' involvement within the physical investment context. The assessment shall generate the necessary baseline information on the demographic, social, cultural, and political characteristics of the affected IP communities as well as the land and territories that they have traditionally owned or customarily used or occupied and the natural resources on which they depend. The social assessment shall utilize Participatory Rural Appraisal tools such as participatory mapping, historical trends, oral testimonies, etc. along with FPIC for stakeholder identification and analysis to craft culturally appropriate and gender-sensitive processes for meaningful consultation with IP communities at each stage of physical investment preparation and implementation. Methods for data collection shall observe culturally appropriate norms.

121. Potential adverse and positive effects of the physical investment shall be identified through the FPIC with the affected IP communities. In assessing these impacts, the IPs will be engaged in a Participatory Mapping activity in a FPIC to identify the physical investment location and potential impacts. The results of the activity will be presented in a plenary where participants can openly express his/her opinions on the pros and cons of the subject matter and generate consensus on possible mitigating measures that must be adopted by the physical investment. Gender-sensitive analysis of IPs' vulnerability and risks brought about by the physical investment in comparison to other groups (IPs and non-IPs) will be made a key



focus of the assessment. This entails the involvement of wives, unmarried women, and children in identifying potential risks and benefits associated with the physical investment. In some IP communities, this sector is often marginalized and their roles are limited to household chores. In effect, the assessment shall in the end identify and recommend the necessary measures to avoid adverse effects and enhancement or maximization of positive impacts. If avoidance is not possible, mitigation activities or alternatives will have to be mutually developed with IP communities through meaningful FPIC, to ensure that the IPs receive culturally appropriate benefits under the physical investment. A suggested outline for a Social Assessment is presented in Appendix 7.

122. When avoidance is not feasible, the agency/entity will minimize, mitigate, or compensate for these impacts in a culturally appropriate manner and based on the Social Assessment prepare an IPP. The agency/entity's proposed action will be developed with the FPIC with the affected IPs and contained in a time-bound plan IPP, or a broader community development plan.

### *Information disclosure, consultation, and informed participation*

123. The agency/entity proposing the physical investment will establish an ongoing relationship with the affected IP communities as early as possible in the physical investment planning and throughout the life of the physical investment. In physical investments where IPs are presence and affected, the consultation process will ensure their FPIC to obtain broad community support for the proposed physical investment and facilitate their informed participation on matters that affect them directly, such as proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues. The process of community engagement will be culturally appropriate and commensurate with the risks and potential impacts to the IPs. In particular, the process will include the following steps:

- Involve IPs' representative bodies (for example, councils of elders or village councils, among others)
- Be inclusive of both women and men and of various age groups in a culturally appropriate manner
- Provide sufficient time for Indigenous Peoples' collective decision-making processes
- Facilitate the Indigenous Peoples' expression of their views, concerns, and proposals in the language of their choice, without external manipulation, interference, or coercion, and without intimidation

Ensure that the grievance redress mechanism established for the physical investment, is culturally appropriate and accessible for IPs.

The RIDA will ensure that the agency/entity makes the IPP available to the affected IP communities in an appropriate form, manner, and language prior to physical investment appraisal.

124. Grievance Redress Mechanism (GRM). The RIDA will have a complaint handling system that allows the public and IPs communities to file complaints, raise issues, and/or convey their aspirations regarding the physical investment (more detail in Chapter 7). The RIDA will also require the agency/entity implementing the physical investment to open a channel for complaint handling that can be easily accessed by the affected IPs (and the public in general). It can utilize the current complaint handling system if it is functioned well, or improve it to function well. The agency/entity may also seek assistance from a local NGO or university trusted by the IPs community to receive and verify complaints. Any complaints should be responded quickly or in a defined time period. A direct response on site, to the extent possible, is encouraged. All complaints and the responses need to be documented by the agency/entity: date of complaint, type of complaint, name/address/number of complainants, venue/channel of complaints (direct, letter, website, short text message, telephone, etc.),

verification date and results, date of responses, type of responses, unit who give the responses, unresolved complaint and reason. If the complaint involved the IPs community at large, the options for resolution should be discussed with them through participatory meaningful dialogues.

125. Disclosures. The draft IPP including the Social Assessment will be disclosed by the agency/entity in respective physical investment sites where IPs are affected prior to consultations, and if necessary, the document will be prepared in the language of the IPs. In addition, it will be disclosed in the agency/entity's website. The IPP will be also disclosed in the RIDA's website. The revised/final IPP will be disclosed in the same venues as that of the draft IPP.

### ***Development benefits***

126. The agency/entity will seek to identify, through the process of FPIC with the affected communities of IPs, opportunities for culturally appropriate development benefits. Such opportunities should be in commensurate with the degree of physical investment impacts, with the aim of improving their standard of living and livelihoods in a culturally appropriate manner, and to fostering the long-term sustainability of the natural resource on which they depend.

### ***Special requirements***

127. Because IP communities may be particularly vulnerable to the physical investment circumstances described below, the following requirements will also apply in the circumstances indicated, in addition to the general requirements above. When any of these Special Requirements apply, the agency/entity will retain qualified and experienced external experts to assist it in conducting the Social Assessment.

### ***Impacts on traditional or customary lands under use***

128. The IPs are often closely tied to their traditional or customary lands and natural resources on these lands. While these lands may not be under legal ownership pursuant to national law, use of these lands, including seasonal or cyclical use, by communities of Indigenous Peoples for their livelihoods, or for cultural, ceremonial, or spiritual purposes that define their identity and community, should be documented. The agency/entity will follow the process described in the paragraph below and under the section of Social Assessments above when traditional or customary lands are under use.

129. If the agency/entity proposes to locate the physical investment on, or commercially develop natural resources located within, traditional or customary lands under use, and develop cultural resources and knowledge of IPs, and adverse impacts can be expected on the livelihoods, or cultural, ceremonial, or spiritual uses that define the identity and community of the IPs, the agency/entity will respect their use by taking the following steps:

- The agency/entity will document its efforts to avoid or at least minimize the size of land proposed for the physical investment
- The IPs land use will be documented by experts in collaboration with the affected communities of IPs without prejudicing any IPs land claim
- The affected communities of IPs will be informed of their rights with respect to these lands under national laws, including any national law recognizing customary rights or use
- The agency/entity will offer affected communities of IPs compensation and undertake due process available to those with full legal title to land in the case of commercial development of their land under national laws, together with culturally

appropriate development opportunities; land-based compensation or compensation-in-kind will be offered in lieu of cash compensation where feasible

- The proponent of the physical investment will carry out FPIC with the affected communities of IPs, and document their informed participation and the outcomes of the consultations that reflect broad support from the IP communities on the proposed physical investment.
- Any physical investment involving commercial development of the cultural resources and knowledge of IPs is conditional upon their prior *agreement* to such development.

### ***Relocation of Indigenous Peoples from traditional or customary land***

130. The agency/entity proposing physical investment will consider feasible alternative physical investment designs to avoid the relocation of IPs from their communally held traditional or customary lands under use. If such relocation is unavoidable, the agency/entity will not proceed with the physical investment unless it enters into a negotiation with good intention with the affected communities of IPs, and documents their informed participation and the successful outcome of the negotiation. The relocation will not be carried out without obtaining broad support from the affected IPs community as part of the FPIC process. A LARAP will be prepared in accordance with the requirements specified in the LARPF, and will be compatible with the IPs' cultural preferences. Where feasible, the agency/entity should provide land-based resettlement strategies for the relocated IPs. Relocated IPs should be able to return to their traditional or customary lands, should the reason for their relocation cease to exist.

### ***Cultural resources***

131. Where a physical investment proposes to use the cultural resources, knowledge, innovations, or practices of IPs for commercial purposes, the agency/entity will inform the IPs of: (i) their rights under national law; (ii) the scope and nature of the proposed commercial development; and (iii) the potential consequences of such development. The agency/entity will not proceed with such commercialization unless it: (i) enters into a negotiation with good intention with the affected communities of IPs; (ii) documents their informed participation and the successful outcome of the negotiation; and (iii) provides for fair and equitable sharing of benefits from commercialization of such knowledge, innovation, or practice, consistent with their customs and traditions.

### ***Review, approval and implementation of IPP***

132. Based on the screening carried out by the RIDA (with the assistance of the consultant) on the potential presence of the IP communities in, or who have collective attachment to, the physical investment site and area of influence, the agency/entity will be notified of the need to prepare an IPP. The preparation of the IPP will refer to this IPPF.

133. The RIDA will review the draft IPP and provide inputs, if any for revision. The RIDA will submit to the World Bank the revised draft IPP for review and approval prior to physical investment appraisal for financing.

134. The agency/entity and their consultant should include the elements of IPP in implementation of the physical investment. Cost incurred by the implementation of the IPP will be part of the physical investment cost.

135. The RIDA will monitor the implementation progress of the approved IPP and prepare a biannual report, which explains the progress of the implementation of the approved IPP, and evaluate whether the intended activities have reached the objectives with clear performance indicators and timeframe as specified in the IPP. The biannual report shall include the records

on the complaints received and followed-up, and remaining unsolved issues. This biannual report will also report the implementation of the activities that need to be done by the contractors during the construction period. The biannual report will be shared with the Technical Team and the World Bank.

### **Monitoring and Evaluation**

136. RIDA will monitor and evaluate the agency/entity who will implement physical investment in preparing and implementing the IPP (including Social Assessment) ensuring that the IPPF in this ESMF is consistently followed. At the same time, RIDA will provide advice to the agency/entity in preparing and implementing the IPP. Monitoring and evaluation will focus on to what extent the agency/entity has engaged in a FPIC that lead to community broad supports and agreements, social assessment, livelihoods, and sustainability of the IPs' cultural and values as well as disclosure and GRM system functioning. In the case that IPs' cultural property and natural resources are commercially used for tourism development, monitoring and evaluation will also focus in the process and results of agreements between the agency/entity and the IPs community, and whether the IPs community gets a fair compensation and/or benefit from such commercial use. The agency/entity would want to ask for assistance from the local IPs organization such as AMAN and local universities or experts to prepare and implement the IPP.

137. RIDA will require the agency/entity prepare and implement a corrective action plan in the case that based on the evaluation, it did not meet the requirements and agreements specified in the IPP. The corrective action plan will be developed through FPIC with broad support and agreement from the affected IPs community.

## **5.4 SAFEGUARDS IN INTEGRATED TOURISM MASTER PLANS**

### **5.4.1 Baseline Data Collection**

138. Incorporating safeguards in the ITMPs begins with baseline data collection and mapping in each of the tourist destination areas, including:

- Existing land uses and land use planning provided by spatial plans and any gaps between the two.
- Spatial development patterns, especially growth patterns and trends of urban, semi-urban, and rural areas.
- Planned new development initiatives related to economic development.
- Tourism accommodations, attractions and their environmental, cultural or social significance, recreational areas and facilities, including planned new investments.
- Land ownership (including land legacy issues - refer to LARPF para. 84-87) with particular emphasis on key tourism areas and strategically significant development locations.
- Topography, vegetation, and hydrology.
- Areas of environmental concern—protected areas, habitats, water bodies, irrigated paddy fields, natural hazard areas, etc.
- Environmental health conditions—water and air quality, cleanliness, occurrence of water and vector borne diseases (malaria, dengue, etc.), and other health hazards, security and safety concerns, etc.
- Areas of cultural significance—historic, religious, viewsapes, archeological sites, historic trails.
- Indigenous peoples' habitats and customary lands

## 5.4.2 Determination of Development Opportunities and Constraints

139. The ITMP planners will interpret the baseline data to develop a map of opportunities and constraints for environmentally and socially sustainable growth and for the various types of tourism facilities and supporting infrastructure. The map could present “no development” zones, zones suitable only for certain types of development, zones with little or no restriction on type of development, and zones that are particularly favorable as, for example, locations for waste management infrastructure. World Bank safeguards policies would be taken into account in this task. Elements of the policies that guide development toward positive outcomes will inform the process of identifying opportunities, and prohibitions and restrictions presented in some of the policies will become parts of the constraints. Policies that apply at this planning stage are:

- OP 4.01 *Environmental Assessment*—to provide information to decision-makers for sustainable development, and its mitigating approach is the impact management hierarchy, from, in declining order of preference: prevent, minimize, mitigate, compensate.
- OP 4.04 *Natural Habitat*—maintain biodiversity, through restrictions on conversion or degradation of critical and natural habitat, and preference for locating infrastructure on already-converted land.
- OP 4.36 *Forest* to realize the potential of forest in a sustainable manner, integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests
- OP 4.10 *Indigenous Peoples* for among other reasons to avoid or minimize adverse effects on indigenous communities, including any resettlement, and FPIC on and broad community support for projects that would affect them.
- OP 4.11 *Physical Cultural Resources* which aims at protecting known and chance finds of cultural property
- OP 4.12 *Involuntary Resettlement* with particular attention to avoiding or minimizing displacement, including economic displacement caused by restriction of access to customary natural resources. Areas that are identified in the baseline information as having land legacy issues will be assessed further through rapid assessment to be carried out by the ITMP consultant team. Land legacy issues can be considered as constraints from further development of the affected area in the ITMPs, until the issues are resolved in accordance with the ESMF, or if there is a clear and realistic plan to resolve this issue (with monitoring milestones and clear timeline) in compliance with the Indonesian laws and regulations and applicable World Bank Safeguards policies as indicated in the ESMF. The potential risks, opportunities and solution of this issue will be taken into account in the three development scenarios, possibly with a later development phase to be implemented depending on the assessment of the ITMPs consultant and agreement between the RIDA and the Bank. Detail on how to address legacy issues are presented in the LARPF paras. 84-87 of this ESMF.
- *Environmental, Health, and Safety Guidelines* 2007<sup>41</sup> commonly referred to as the EHS Guidelines. The applicable parts are the General Guidelines, which include air, water, and noise standards; community and workplace safety; pollution prevention; energy and water conservation, etc. plus a number of the sectoral guidelines including:
  - *Tourism and Hospitality Development*
  - *Waste Management Facilities*
  - *Water and Sanitation*
  - *Ports, Harbors and Terminals*
  - *Airports*
  - *Toll Roads*

<sup>41</sup>[http://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/ifc+sustainability/our+approach/risk+management/ehsguidelines](http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/our+approach/risk+management/ehsguidelines)



- *Electric Power Transmission and Distribution*

140. The safeguards policies are presented in detail at the following website: <http://www.worldbank.org/en/programs/environmental-and-social-policies-for-projects>. The relevance of the sectoral EHS Guidelines at this early planning stage is primarily in site selection for various types of infrastructure.

### 5.4.3 Formulation of Alternatives

141. OP 4.01 requires analysis of alternatives as part of the impact assessment process. It also stresses informed consultation with affected communities and other stakeholders. The ITMP process incorporates key elements of strategic environmental and social assessment. ITMP planners will present at least three different spatial development scenarios to accommodate the projected growth and will assess the environmental and social impacts of each development scenario in sufficient detail to allow stakeholders to compare them in terms of positive and negative impacts and adherence to the requirements of the applicable World Bank safeguards policies and GoI laws and regulations. The scenarios will be discussed with stakeholders, and a preferred scenario will be selected for further elaboration. Stakeholders will be consulted on the issues of cultural heritage preservation, natural asset protection, and community development associated with the preferred scenario.

### 5.4.4 Impact Assessment

142. The ITMPs will include (a) an assessment of potential environmental and social impacts, including cultural heritage, land, and/or resettlement as well as IPs related to the preferred development scenario, at an appropriate scale and level of detail, taking into account cumulative, indirect, and induced impacts and impacts of associated facilities and (b) a high-level mitigation and monitoring plan. Since site-specific plans and designs will not be known at this stage, the mitigation and monitoring plans will be commensurate to the level and type of information available at this scale.

143. Cumulative, indirect, and induced impacts and impacts of associated facilities will also be further assessed and addressed as part of the government's planning process for detailed spatial plans as regulated by the Minister of Environment and Forestry Regulation No. 46 of 2016 pertaining to strategic environmental and social assessment (*Kajian Lingkungan Hidup Strategis*, or *KLHS*). KLHS is mandatory to be carried out as part of the preparation or evaluation of spatial plans (*Rencana Tata Ruang*, or *RTR*) or detailed spatial plans for the national, province or district/city level. The compiler of the KLHS will submit a written application for validation to the minister or governor as stated by the law and attach the following documents: Detailed spatial plans, KLHS report, and proof of competence of the KLHS compiler. The office of the minister or governor will form a committee to review and validate the KLHS report. Monitoring and evaluation of the implementation of the KLHS will be carry out by the minister at the national level, minister or head of agency for sector master plans, governor for KLHS approved and validated at the province level and the *bupati*/mayor for the KLHS approved and validated at the district/city level. Consequently, impacts of ITMP recommendations will be further assessed when spatial plans are revised to incorporate them, which may occur during the Program or after its completion. The KLHS will also address risks and mitigation measures. Mitigation measures in the KLHS will be enforceable, as the RTR and RTRW have a legal basis. Budget for implementing the KLHS will be from APBN (central budget) or APBD (province or district/city budget).

### 5.4.5 Awareness and Capacity for Implementation

144. The ITMP will identify local government and community awareness and capacity building needs for plan implementation and inclusive tourism development. Moreover, the TOR of the Program Management Support Consultants' Services (also financed under the IPF)



includes supporting RIDA in ensuring that all environmental and social safeguards are properly applied. It includes two senior international experts for environment and social/cultural to assist RIDA. Besides supporting RIDA in its program management responsibilities, the Consultant will evaluate the capacity of the environmental agencies in the destinations to oversee the preparation and implementation of high quality UKL-UPL, develop action plans for those that have capacity gaps and support implementation of the action plans. This will provide an assessment of current capacity to put into effect environmental and social mitigation plans and to carry out the important functions of monitoring and preserving the natural and cultural assets on which sustainable tourism will depend. The ITMP will include a capacity-strengthening plan. In addition, recognizing that communities have an important role in managing those same tourism assets, the ITMP will help define a community awareness-raising program.

#### 5.4.6 Detailed Development Plans

145. The DDPs will provide maps at a scale of 1:5000 and detailed descriptions in terms of: existing and future typology and character of the site, detailed land use, specification of tourism accommodation capacity and typology, tourism facilities, services and attractions, housing for tourism sector employees and their dependents, existing and planned infrastructure, building regulations and development control. The detailed development plans will provide dedicated recommended measures to manage and control development, including but not limited to:

- Building densities, floor-space ratios, maximum building heights
- Traffic generation
- Water demand
- Wastewater generation and management
- Solid waste generation and waste management
- Drainage and flood protection
- Street lighting
- Electricity demand
- Broadband internet services
- Natural hazards and risk mitigation
- Architectural styles and heritage conservation
- Road design standards to accommodate not only traffic demand, but also requirements for traffic management, pedestrians, road safety, landscaping, parking, signage, etc.
- Landscaping associated with residences, tourist facilities, and other land uses

146. For Detailed Development Plans that indicate a need for land acquisition, or that will restrict access to protected areas, or where Indigenous Peoples are present, RIDA will ensure that appropriate instruments, i.e., a LARAP, a Plan for Action, or an IPP, respectively, are prepared subsequently by the agency or entity who will implement the physical investment recommended by the DDPs. The RIDA will ensure and monitor that once the specific physical development is defined with clear on-the-ground site, investment proponents (agency or entity, with the help of their consultants) prepare and implement the LARAP, Plan of Action and/or IPP in compliance the LARPF, Process Framework and IPPF, as described in Section 5.2, Appendix 4, and in Section 5.3, respectively.

147. The World Bank Group Environmental, Health, and Safety (EHS) Guidelines and safeguards policies will be used in preparing the elements of the plans and guidelines to which they are applicable. Relevant EHS Guidelines include the General Guidelines, which include effluent standards, ambient air quality standards, noise standards, providing for community safety, etc., and sectoral guidelines for:

- Tourism and Hospitality Development
- Ports, Harbors, and Terminals
- Health Care Facilities

- Waste Management Facilities
- Water and Sanitation
- Roads

148. Elements of DDPs that are based on the safeguards policies will include:

- Environmental protection guidelines to protect and restore natural areas;
- Cultural, religious, historic and archeological guidelines to protect valued features;
- Visitor Management/Crowd Control Plans for tourism sites with limited carrying capacity such as temples, heritage sites and cultural villages;
- Proposed institutional arrangements to monitor the condition of natural, social and cultural assets and to implement the plans for their protection;
- Assessment of environmental, social (including IPs) and cultural heritage impacts related to the preferred development scenario at an appropriate scale and level of detail, taking into account cumulative, indirect and induced impacts and impacts of associated facilities, and prepare a high-level mitigation and monitoring plans;
- Social Management Guidelines to avoid, or minimize potential social conflicts or adverse impacts due to the implementation of the development plan;
- Identify and discuss land acquisition and tenure issues related to the preferred development scenario; and provide guidance (in compliance with the LARPF) for the implementing stakeholders to prepare LARAP in case there is a potential involuntary land acquisition and resettlement;
- Indigenous Peoples Planning Framework to guide stakeholders in implementing the development plan in case that activities potentially affect IPs.

#### **5.4.7 Frameworks for Development of Social Safeguards Documents**

149. The social safeguards frameworks in sections 5.2 and 5.3 above provide guidelines for the agency/entity and their consultants in preparing the safeguards instruments (such as LARAP, or Plan for Action or IPP) for activities to be financed by Component 1 and ITMPs, DDPs and Sectoral Plans to be supported by Component 4, whereby physical investment recommended by these plans, if they are implemented, would involve land acquisition and/or resettlement and/or would affect IPs.

## **6.0 IMPLEMENTATION ARRANGEMENTS, FINANCING AND CAPACITY STRENGTHENING TO IMPLEMENT ESMF**

### **6.1 INSTITUTIONAL ORGANIZATION**

150. The MPWH has been the Bank's counterpart for more than three decades in urban development and sectoral projects and programs. In general, the MPWH staff (under the Directorates General (DG) of Highways, DG of Human Settlements, DG of Water Resources) has good awareness and experience in implementing projects following the requirements of the World Bank safeguards policies. Since 1990s they have engaged in various World Bank-supported projects such as Integrated Urban Infrastructure Development Projects, Road Improvement Projects, Irrigation System Improvement Projects, Flood Management Project, PNPM-Urban, PAMSIMAS, Urban Sector Development and Reform Project, National Slum Upgrading Project, Urban Water Supply Project, National Affordable Housing Project, and DAK Infrastructure Project. More than 65% of the sub-projects under Component 1 of the

Project are expected to be managed by DG Highways and DG Human Settlements, which both have significant experience with Bank-financed projects. Moreover, the three deconcentrated Central Project Implementing Units (CPIUs) responsible for roads, the *balai* for Semarang, Mataram and Medan, have recently implemented, or are currently implementing, development partner-financed projects. However, the capacity of RIDA in implementing World Bank-supported projects/programs is still limited, and therefore they will work closely with staff from relevant DGs of MPWH (depending on the type of the physical investment) and will be assisted by the environmental and social safeguards specialist of the Program Management Support Consultant. As needed, the Bank will provide hand-holding assistance and training during Project implementation.

151. In general, awareness and capacity of agency/entity at the provincial and district/city level on the World Bank environmental and social safeguards requirements vary across regions. Those who have experienced with World Bank-supported projects in the past have better understanding on the World Bank environmental and social safeguards requirements and have staff with better capacity compared with those who have not at all had experiences in Bank-supported projects. In the Project implementation phase, the PMS Consultant will assess the capacity of the environmental agencies, subproject proponents and local agencies in the destinations to provide the assessment of current capacity, allocation of supervision time, need for capacity strengthening, and appropriate action plans to ensure preparation and implementation of high quality safeguard instruments.

152. The Project is also committed to establishing effective resource monitoring and protection capacity in the destinations as demonstrated by the establishment of Sustainable Tourism Observatories in the destinations under a UN World Tourism Organization program, by augmenting the technical staff in the implementing unit of MPWH, and by inclusion in the Project of Program Management Support services to support environmental and social management through capacity-building and provision of expertise to fill capacity gaps. The expertise will extend to screening of investments proposed for inclusion in the Project, assistance in reviewing safeguards documents prepared and in preparing implementing guidelines under the country system, and assistance in monitoring safeguards implementation.

153. RIDA is responsible for the day-to-day ESMF implementation and for the Project's environmental and social safeguards performance. It is the focal point for all matters relating to safeguards (environment and social protection) issues for the Project. The Executing Agency's functions are summarized in Table 17 below. RIDA has general oversight responsibility for ESMF implementation, while DG Highways and DG Human Settlements or other project subproject proponents prepare the safeguards instruments.

Table 17: Functions of the Executing Agency and World Bank

Project Stage	Organization	Responsibilities
<b>Implementation</b>	Regional Infrastructure Development Agency of the Ministry of Public Works and Housing (RIDA-MPWH)	<ul style="list-style-type: none"> <li>• Screens proposals/studies for the Project for safeguards issues.</li> <li>• Maintains records of all proposals and screening decisions.</li> <li>• Allocate resources and/or establish a special unit within RIDA to ensure the Project implementation conducted by other ministries or entities using National Budget complies with safeguards requirements specified in this ESMF</li> <li>• Highlights potential safeguard issues and determines the appropriate safeguards instruments (EIA, EMP, UKL-UPL, AMDAL, LARAP).</li> <li>• Ensure that the ITMP consultant team will implement the TOR for ITMP consistently</li> </ul>

		<p>particularly for safeguards mainstreaming in the process and in the outputs;</p> <ul style="list-style-type: none"> <li>• Provide general oversight of the activities under Component 1 and Component 4 (particularly the ITMPs, DDPs and Sectoral Plans) to ensure compliance with this ESMF;</li> <li>• Monitoring and evaluation of the implementation of the plans or studies.</li> <li>• Develop, organize, and deliver training programs and workshops to agencies/entities implementing the Project, local governments or affected stakeholders in all destinations.</li> <li>• Report to World Bank on the overall Project's environmental and social safeguard performance especially for activities supported under Component 1 and ITMPs, DDPs, and Sectoral Plans and Studies under Component 4.</li> <li>• Prepare a bi-annual Implementation Report on the progress and status of the implementation of the safeguards instruments.</li> </ul>
	World Bank	<ul style="list-style-type: none"> <li>• Reviews and provide approvals for environmental and social safeguards instruments (AMDAL/ESIA/ESMP, UKL-UPL, LARAP, IPP) prepared by the subproject proponents; Review the ITMPs (including the DDPs) and the Sectoral Plans and Studies, ensuring that guidance on safeguards management specified in these Plans to be implemented by the agency/entity and their consultants are in compliance with the ESMF;</li> <li>• Review and approve the TORs for selected Sectoral Plans and Studies ensuring that environmental and social safeguards requirements specified in this ESMF are mainstreamed;</li> <li>• As resource persons for RIDA and/or Program Management Support Consultant in developing training materials and in delivering the training</li> <li>• Review and approve the Practical Guidelines on Environmental and Social Safeguards prepared by the Program Management Support Consultant Team, as specified in their tasks included in their TOR;</li> <li>• Review and approve the Project Operation Manual, particularly the environmental and social safeguards chapter explaining how the ESMF is to be implemented within the overall process of Project implementation.</li> <li>• Supervise regularly the implementation of any social and environmental mitigation plans.</li> </ul>

## 6.2 INSTITUTIONAL CAPACITY REQUIREMENT

154. RIDA as the Executing Agency has the responsibility for the ESMF implementation. RIDA is a well-established government agency with a growing and substantial workforce from different areas of expertise. Among these areas of expertise are Architecture, Engineering, Regional and Urban Planning, Environmental Engineering, Anthropology, Law, and Economics. However, the RIDA as the Project Executing Agency requires the capacity of

experts from other fields not currently employed by RIDA. To support such activities, RIDA's core team will be strengthened by additional civil servants or individual consultants and supported by the PMS Consultant. In addition, RIDA is considering to establish, through the Work Unit of the Strategic Area Development Center, a Technical Expert Team consisting of experts from several areas of expertise stipulated through Decree (SK), especially related to environmental and social aspects.

155. The experts in RIDA (through staff, consultants, Expert Team or Consultants Services) will include:

1. Natural Resource Management and/or Biodiversity Expert
2. Landscape Architecture Expert
3. Tourism Expert
4. Regional and City Economics Expert
5. Environmental Engineering Expert
6. Geology Technician
7. Land Acquisition and Resettlement Expert
8. Social and Cultural Expert
9. Social Development Specialist

*The social development specialist should have an educational background in anthropology, sociology, planning or similar educational background. The TOR and qualifications for this specialist will be part of the Project Management Support Consultant Team. Preferably, the specialist should also be familiar with the World Bank policies and have experienced with them in Indonesia.*

10. Institutional Expert
11. GIS (Land)/Mapping Expert
12. Cultural Heritage Expert
13. Health, Safety, and Environment Expert

*The specialist should be familiar with the Indonesian environmental, health, and safety regulations, especially related to UKL-UPL (OR AMDAL). It would be ideal if the specialist has the AMDAL Team Leader certificate from the Ministry of Environment and Forestry and has considerable experience in conducting AMDALs for infrastructure projects.*

156. The specialists are tasked with:

1. Providing assistance to the RIDA in the coordination and synergy of program implementation related to the Tourism Development Program;
2. Assisting the RIDA in ensuring that all activities in the Project comply with the ESMF;
3. Assisting the RIDA in conducting activities and compiling documents related to the activities component of the Tourism Development Program, including supervising the preparation of the ITMPs;
4. Assisting the RIDA in designing the capacity building program, designing and delivering training;
5. Preparing and submitting reports on the implementation of their duties to the Head of RIDA through coordination with the RIDA Team.

157. Other capacity building that is needed is at the regional government level. It is important that both the MPWH as well as the Regional Working Unit (SKPD) and Development Planning Agency at Subnational Level (Bappeda) responsible for the implementation of the master plans receive training related to the preparation and implementation of environmental and social safeguard instruments, both with World Bank standards and regulations in Indonesia. Implementation of such trainings to address the gaps between World Bank and GOI requirements can be through training programs conducted by the PMS Consultant or other trainers.

158. The capacities and capacity-building needs of other national agencies involved in the Project and provincial and local government agencies that will be responsible for activities supported by the Project are presented in Tables 19 and 20 below.

### 6.3 CAPACITY BUILDING PROGRAM

159. The Project will also fund the Project Management Support Consultant for RIDA, including the Indonesia Tourism Development Program planning, budgeting, quality control, monitoring, reporting and coordination to ensure that the program is in line with the program objectives and in accordance with the loan agreement. The duties for the Project Management Support Consultant team include:

- a. Providing overall Program management assistance;
- b. Coordinating Program activities;
- c. Creating synergies among all stakeholders;
- d. Ensuring accountability in the management, monitoring and financial reporting of the program;
- e. Screening potential Program investments;
- f. Assisting in the preparation of the program's consolidated annual spending proposal;
- g. Building a Transparent Information Management System for Tourism Development;
- h. Ensuring the consistent application of the ESMF;
- i. Ensuring the active participation of local communities;
- j. Encouraging appropriate spatial planning practices in accordance with the Integrated Tourism Master Plan;
- k. Capacity building at the tourism destination level for monitoring and conservation of natural and cultural assets essential to tourism;
- l. Ensuring proper handling and resolution of complaints;
- m. Ensuring adequate capacity of all Program stakeholders;
- n. Ensuring timely delivery of reports and ensuring the presentation of relevant documents.

160. Capacity building for other key ministries is also essential to ensure that the existing human resources are ready to work in accordance with the task description that has been set in accordance with their respective fields (The required training involving "key ministries" is presented in Table 18 and table 19 but is not limited to and will prioritize those in the tourism destination areas. This training plans will be updated according to the needs identified later on during Project implementation:



Table 18. Ministry of Public Works and Housing Capacity Building Training Activities

Item	Training program	Target Audience	Scope of Training	Prioritize Tourism Destination Areas
1	Process and procedure for the implementation of ESMF	<ul style="list-style-type: none"> <li>- MPHWH</li> <li>- Regional Working Unit (SKPD)</li> <li>- ITMP Consultant</li> </ul>	<ul style="list-style-type: none"> <li>- Provide explanations regarding IPF-financed programs</li> <li>- Environmental and social implications of IPF activities</li> <li>- Purpose and objective of ESMF</li> <li>- Scope of study area of ESMF</li> <li>- Implementation of ESMF</li> <li>- Principles/rules/procedures for screening assessment, management, and monitoring of mitigation measures from potential environmental and social impacts of unknown investments at the time of Project appraisal</li> <li>- Measures and plans to mitigate, mitigate and/or offset negative impacts and enhance positive impacts, provision for estimating costs and allocating funds to finance such measures and plans, and containing information on the institutions and responsible parties to deal with Environmental and social impacts of activities; and</li> <li>- Review and approval process of environmental and social safeguards instruments</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba
2	Implementation of supervision and review of Integrated Tourism Master Plan and other Plans financed under Component 4 and FS and DEDs supported by Component 1	<ul style="list-style-type: none"> <li>- MPHWH</li> <li>- SKPD</li> <li>- ITMP Consultant</li> </ul>	<ul style="list-style-type: none"> <li>- Purpose and Objectives, Scope of Activities, Preparation Techniques, Procedures and Preparation System Documents related to environmental and social aspects such as: KLHS, AMDAL, UKL-UPL, LARAP, IPP</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba
3	Improvement of Environmental and Social Management Capacity on specific issues	<ul style="list-style-type: none"> <li>- MPHWH</li> <li>- Local Government</li> <li>- Local Communities</li> </ul>	<ul style="list-style-type: none"> <li>- Handling of waste in sustainable way</li> <li>- Drainage, sanitation, solid waste management and sustainable wastewater treatment</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba

			<ul style="list-style-type: none"> <li>- Introduce 3R (reduce - reuse - recycle) program</li> <li>- Livelihood restorations</li> <li>- Gender, vulnerable groups</li> <li>- FPIC, benefit sharing</li> </ul>	
4	Providing incentives and disincentives for tourism activities	<ul style="list-style-type: none"> <li>- MPHW</li> <li>- Agrarian and Spatial Planning Ministry</li> <li>- SKPD</li> <li>- Private Sectors</li> <li>- Local communities</li> </ul>	<ul style="list-style-type: none"> <li>- Procedures for granting incentives and disincentives in zoning regulations related to tourism activities</li> <li>- Incentives and disincentives</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba

Table 19. Tourism Ministry Capacity Building Training Activities

Item	Training program	Target	Scope of training	Prioritize Tourism Destination Areas
1	Visitors Management in Tourism Destination Program	<ul style="list-style-type: none"> <li>- Tourism Ministry</li> <li>- SKPD</li> <li>- Local communities</li> <li>- NGOs</li> </ul>	<ul style="list-style-type: none"> <li>- Potential and challenges</li> <li>- Theory and Concept of Development (Environment and social challenges)</li> <li>- Indicator and standard based visitor management framework</li> <li>- Strategies and Implementation Technique</li> </ul>	Borobudur-Yogyakarta-Prambanan
2.	Business sector development (PPP)	<ul style="list-style-type: none"> <li>- Tourism Ministry</li> <li>- Private Sectors</li> <li>- NGO</li> <li>- Local Community</li> <li>- SMEs Ministry</li> <li>- BKPM</li> <li>- Indonesia Investment Coordination Board</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of environmental and social aspects of review in the PPP scheme</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba
3.	Sustainable Homestay Development (Eco-Homestay)	<ul style="list-style-type: none"> <li>- Tourism Ministry</li> <li>- SKPD</li> <li>- Local Communities</li> <li>- NGOs</li> </ul>	<ul style="list-style-type: none"> <li>- Benefit (community empowerment)</li> <li>- Best Case Study</li> <li>- Requirements and components</li> <li>- Implementation and management program</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba
4.	Mass tourism and eco-tourism	<ul style="list-style-type: none"> <li>- Tourism Ministry</li> <li>- SKPD</li> <li>- Local Communities</li> <li>- NGOs</li> </ul>	<ul style="list-style-type: none"> <li>- Understanding mass tourism and eco-tourism</li> <li>- Components of mass tourism</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba

			development and eco-tourism - Steps and needs of mass tourism / eco-tourism development - Case studies	
5.	Information - Education - Tourism Promotion	<ul style="list-style-type: none"> <li>- Tourism Ministry</li> <li>- SKPD</li> <li>- Private Sector</li> <li>- Local communities</li> <li>- NGOs</li> </ul>	<ul style="list-style-type: none"> <li>- Procedures for information development, education, and tourism promotion</li> <li>- Development of heritage trails</li> <li>- Mapping procedures (tourism support facilities, supporting infrastructure, etc.)</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba
6.	Community Empowerment	<ul style="list-style-type: none"> <li>- Tourism Ministry</li> <li>- Coordinating Ministry for Human Development and Cultural Affairs</li> <li>- Ministry of Cooperatives and Small-Scale Enterprises (UKM)</li> <li>- SKPD</li> <li>- Local Communities</li> <li>- NGOs</li> </ul>	<ul style="list-style-type: none"> <li>- Local Leadership</li> <li>- Local economic activities to be strengthen Tourism/Heritage Trail</li> <li>- Utilization of infrastructure and tourism facilities</li> <li>- Operational Management</li> <li>- Application of technology (ICT, System Management, related Information Tourism etc.)</li> <li>- Procedures for the management of natural resources and the environment</li> <li>- Case study</li> <li>- Improvement on foreign languages (English, Japanese, etc.)</li> </ul>	Lombok, Borobudur-Yogyakarta-Prambanan, Lake Toba

Table 20. Ministry of Environment and Forestry (MOEF) Capacity Building Training Activities

Item	Training program	Target	Scope of Training
1	Managing water quality of Lake Toba and development of sustainable watershed management of Lake Toba	<ul style="list-style-type: none"> <li>- MOEF</li> <li>- SKPD</li> <li>- ITMP Consultant</li> <li>- Local communities</li> </ul>	<ul style="list-style-type: none"> <li>- Theoretical concepts and case studies of planning a wastewater treatment facility</li> <li>- Rehabilitation of critical deforestation areas through tree planting</li> <li>- Introduction to eco-farming and sustainable farming method</li> <li>- Managing waste water and providing adequate clean water solutions</li> <li>- Implementing measures to improve water quality or sanitation</li> </ul>

			awareness program on personal hygiene to local communities
2	Strengthening local identity (indigenous Peoples, flora and fauna) programs	<ul style="list-style-type: none"> <li>- MOEF</li> <li>- SKPD</li> <li>- ITMP Consultants</li> <li>- Local communities</li> </ul>	<ul style="list-style-type: none"> <li>- Techniques for identifying indigenous Peoples, indigenous villages, local economic activities, local culture, flora and fauna (mapping)</li> <li>- Development of superior commodity centers (agriculture and plantation)</li> <li>- Development of local ecosystem potential (coral reef, mangrove area, freshwater fish culture etc.)</li> </ul>

## 6.4 BUDGET FOR IMPLEMENTING THE ESMF

161. The activities and capacities needed to address the safeguards aspects of the Project as described in the ESMF, including the capacity building and staffing for safeguards are incorporated into the Project activities and TORs of the activities financed under the Project themselves. The budget of the PMS Consultants' Services (in Component 4) will cover among others, activities ensuring the implementation of the ESMF. It will also cover an environmental specialist and a social specialist, both with international experience, in RIDA to provide additional capacity to provide time for RIDA to build its capacity. Other activities covered under the PMS Consultants' Services contract include:

- Assist RIDA in preparing bi-annual Project reports on the ESMF implementation, to be submitted to the Steering Committee and the World Bank. Explore if health and safety performance, environmental and social issues, including ESMF implementation, and management activities can be included in the Management Information System.
- When preparing TORs for studies or plans, ensure that for any contracts that will be funded under the Project, compliance with this ESMF, World Bank safeguards policies and the EHS Guidelines is made a part of the TORs. (See the ESMF for a summary of the applicable safeguards policies and [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines) for the EHS Guidelines).
- Develop and apply screening criteria, based on criteria presented in this ESMF, to ensure that proposed investments likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people are excluded from the Project.
- Ensure that all environmental and social safeguards (including health and safety) are properly applied to program planning and implementation, including land acquisition and resettlement as well as indigenous peoples.
- Ensure that potential adverse environmental and social impacts of proposed investments including induced, indirect, and cumulative impacts have been properly assessed. Review draft reports for TORs, plans, studies, designs, AMDALs, UKL-UPLs, IP Plans and LARAPs, prior to formal submission (if required) to the cognizant agency and the World Bank for review and approval and—where applicable—ensure that ESMF requirements have been adequately incorporated. For other adverse impacts ensure that effective and implementable management measures have been identified and effectively monitor implementation. Ensure that special consideration has been given to preservation or protection of critical natural and cultural assets that contribute to the overall tourism competitiveness.
- When a proposed investment involves the acquisition of land or other assets, or the restriction of access to customarily-used will cause loss of income-generating or subsistence opportunity, the Consultant will review the LARAP to check if it includes

provisions for livelihood restoration, and will monitor its implementation to ensure this occurs.

- Monitor and ensure that all environmental management plans include health and safety measures which are in compliance with this ESMF.
- Taking into account the recommendations of the ITMPs, the Consultant will advise MPWH and other relevant national and destination-level agencies on the establishment of the mechanism and structure at each destination that will monitor and evaluate the condition of environmental, social and cultural assets; advise on the effectiveness of protective measures proposed; and will recommend corrective measures as necessary to ensure that tourism development will not be detrimental to the preservation of these assets. The Consultant will provide technical assistance and training to the monitoring/preservation entities, review their performance, and advice on appropriate modifications to improve their effectiveness.
- Ensure active community participation
- Monitor and evaluate the enforcement of spatial plans including urban land use plans (*Rencana Tata Ruang Wilayah - RTRW*) and detailed spatial plans (*Rencana Detail Tata Ruang - RDTR*) and building regulations, especially the enforcement of restrictions related to land use, build-up areas, building heights and densities, environmentally and culturally sensitive areas and landscapes, natural hazard zones, etc.
- Ensure proper complaint handling and resolution.
- Design and Provide training programs related to, amongst others,
  - Preparation and implementation of environmental and social safeguard policies and instruments, both with this ESMF, World Bank standards and regulations in Indonesia, with a focus on assessing and managing induced, indirect, and cumulative impacts;<sup>42</sup>
  - Tourism-specific training for consultants that prepare AMDAL and UKL-UPL and for the agencies that review, approval and enforce these instruments.

162. The RIDA will allocate sufficient budget (through government co-financing) for training costs.

163. The costs related to the preparation and implementation of sub-project safeguards instruments are financed separately, through APBN, APBD and the IBRD loan. Eligible expenditures under Component 1 of the Project include DED and FS and includes related safeguards instruments. The Consultants' Services for the preparation of DED and FS are expected to be about 5-7% of the total value of the subprojects, and through that, safeguards instruments will be prepared and supervised too.

164. The scope of the ITMP and sectoral master plans and other studies includes the requirements specified in this ESMF.

165. The costs related to STOs, or equivalent bodies, for environmental, social and cultural monitoring are covered under the Ministry of Tourism budget and enhanced through Project financing (see Component 4 of the Project).

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<sup>42</sup> This will be complemented by the World Bank and ADB, who are jointly assisting the Government of Indonesia in establishing a network of learning centers (NLCs) for promoting environmentally and socially sustainable infrastructure development in Indonesia. These NLCs is developed through using the existing training centers run by various Universities (such as UI, IPB, UGM, UNAND, UNHAS) and Government Agencies such as the Ministry of Public Works and Housing and Ministry of Spatial Development/National Land Agency. This initiative is part of the ongoing World Bank Australia Safeguards Partnership (WBASP) funded by the Department of Foreign Affairs and Trade (DFAT), Government of Australia.

## 7.0 GRIEVANCE REDRESS MECHANISM (GRM)

166. The Project will implement Grievance Redress Mechanism (GRM) to ensure that complainants are provided a space to file complaints and convey their aspirations in a politically and psychologically free-speaking environment that ensures voices are heard, recorded and responded in a satisfactory, objective and timely manner agreed by complainant and the agency/entity implementing activity or physical investment supported under the Project.

167. **Objectives and scope.** GRM is a tool for early identification, assessment and resolution on any complaints or disputes on the activities and physical investment in this Project. The objectives of the GRM in this Project are four-fold: (a) to provide easy access to public especially the affected community members to file complaints and/or concerns on a particular activity or physical investment (subproject); (b) to identify and assess the nature of complaints and/or concerns and agree on solution as early as possible so that constructive inputs can be considered in the design of an activity or a physical investment; (c) to avoid stalled activities or physical investment in the later stage due to the ignorance of complaints or disputes, leading to unmanageable disputes and high costs; (d) to obtain support from the impacted communities for the proposed activities or physical investment; and (e) to achieve sustainable tourism development whereby communities have strong ownerships, participation and get fair benefits from the sustainable utilization of tourist attractions, either man-made assets, culture and values, and/or natural resources.

168. GRM in this Project will be important to ensure that relevant concerns and suggestions delivered during public consultations of the ESMF (including TOR for ITMPs) are incorporated at the planning and implementation stages of any activities and physical investment under the Project. Effective GRM can accelerate the achievement and improve the quality of the Project outcomes. It is important for this Project to strengthen the current GRM system that has already in place in various agencies/entities at the national, provincial and district/city levels to better manage complaints handling and dispute resolution processes particularly for those related to the tourism development.

169. Although the discussion on GRM in this ESMF is targeted for environmental and social issues, it is not, however, exclusively implemented for these two issues but for any issues related to the Project. The GRM covers broader aspects such as technical-related aspects of construction, environmental and social issues related to subproject construction, social issues that may arise (e.g. resettlement), and any other complaints directed towards the Project. The GRM applies for complaints handling and dispute resolution during project preparation, implementation and completion in the three destinations (could be expanded to other destination later on), i.e. Lake Toba, Borobudur-Prambanan-Yogyakarta and Lombok.

170. **GRM Structure.** The Project's Grievance Redress Mechanisms (GRM) comprises of three-tier system, i.e. district/city, provincial and national level. Complaint handling and dispute resolution will be the responsibility of various agencies in each of these levels. GRM in the lower level may hierarchically relates to the higher levels (and vice versa), depending on the nature of the complaints and at what level the follow-up, decision or solution to the complaints can take place. For instance, a complaint that need to be followed up by a revision or an establishment of a new regulation, might involve several agencies and regional or national interests so that solution of such complaint has to be brought up to the national level. In contrast, straight-forward complaint such as dust or noise during construction, can be solved on site immediately by a single entity (i.e. contractor).

171. Information obtained from complaint handling and dispute resolution during the preparation of the ESIA, LARAP and/or IPP, is part of the GRM system of this Project.



**172. Key principles.** Key principles of complaint handling and dispute resolution under the GRM of this Project are as follows:

- a. Complainants can file complaints at no costs, through different alternative existing or new access points or complaint uptakes, available at different levels, i.e., national, provincial, district/city and/or at the subproject<sup>43</sup> levels;
- b. Complainants will be given an accessible, non-threatening, equal, and fair treatment for complaint follow-up and for dispute resolution, regardless of origins, religion, citizenship status, social and economic background;
- c. Complaints or disputes will be preferably resolved at the earliest time at the subproject site. Only in the case that follow-up on complaints and disputes are unresolved at the lower level, the cases will be brought to the attention of the higher levels of the government structure;
- d. Complainants can be given various options for resolution and they can be invited for negotiations to reach an agreed solution acceptable to all parties involved;
- e. Follow-up on complaints and resolution of any disputes will be made based on agreements reached among all involved parties through a well-informed consultation processes with facilitation by a competent, trustworthy and credible team, as needed;
- f. The complaint handling system will maintain the objectivity, transparency, and fairness principles by having an Independent Advisory Team (IAT) who will be established on the need basis and available to assist the complainants who filed complaints at any level;
- g. Complaints and disputes, as well as follow-up actions and resolutions will be recorded in and disclosed to the public;
- h. Socialization, dissemination, and disclosure of the complaint handling system/procedures as well as of the complaints and follow-up actions and dispute resolution will be done continuously at the subproject site, district/city, provincial levels, and national levels;
- i. In the case that the complainants are still dissatisfied with the follow up action or resolution provided by the agency/entity implementing the subproject, despite mediations from an independent party selected by both the complainants and the agency/entity as well as recommendations from the IAT, the complainants may continue to seek resolution through litigation process in accordance with Indonesian regulations.

**173. GRM at the district/city level.** The district/city's agency/entity implementing the subproject will be responsible for managing complaints and dispute resolution and follow-up. The Project encourages the agency/entity (as a focal point) to utilize the existing GRM system (including the access points/complaint uptakes, staff assigned to manage the GRM, standards operating/service procedures, etc.) and continuously improve it to meet the requirements and the needs to handle complaints related to this Project.

**174. Focal point.** Usually, for a particular subproject, the agency/entity assigns a manager whose daily tasks monitor and supervise the implementation progress on the ground. This manager can be the person assigned for receiving and following-up complaints. Another possibility is to assign the supervision consultant for the civil works, who is hired by the agency/entity, to also receive complaints and communicate them with the subproject manager and/or the agency/entity implementing the subproject for follow-up. It is expected that in this Project, on-site complaints would be those related to the improper handling of the environmental and social impacts during construction, namely temporary disturbance due to civil works such as dust, noise, disturbance on access, materials storage, traffic, recruitment of local workers, spillage, etc., which can be normally solved immediately by the contractors and/or by the agency/entity implementing the subproject. The focal point for the complaint handling and dispute resolution related to DDPs (as part of the ITMPs) for a particular tourist priority area will be the relevant district/city Bappeda.

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<sup>43</sup> Subproject means an activity or a physical activity under the support of the Project.

175. *Access points or complaint uptakes.* Uptake channels should be easily accessible and well-publicized or socialized to the public, particularly the affected community members. Socialization of the uptake channels can be done through local media, website of the agency/entity implementing the subproject, and/or through the nearest village office and public facilities such as mosques, local markets, etc. The uptake channels must be in a location that is seen credible and accessible. The uptake channels can include some or all of the following, owned and managed by the agency/entity implementing the subproject: phone hotline, email, mail, SMS, whatsapp, webpage, or face-to-face. A complaint box put in the subproject field camp or in the base camp of the supervision consultant is a common practice to collect complaints. A complaint box may also be put in the district/city Bappeda office, especially to take complaints in relation to the preparation of the ITMPs/DDPs.

176. *Processing complaints and disputes resolution.* All complaints received should be recorded in the grievance log book even though it was received verbally and solved on-the spot. This is to encourage responsiveness and to ensure that repeated or low-level complaint are being noted in the system. The main steps to process the complaints are as follows:

- Complaint is recorded in the grievance log book;
- The complainant will be given a receipt or notification for his/her complaint and be provided an information on how the complaint process works and when to expect further information;
- The recorded complaint is verified on the ground, if it is valid and relevant to the subproject, then the focal point will discuss it with relevant parties for follow-up;
- Complaints will be as much as possible followed-up on the spot as immediate as possible, if a complaint cannot be solved on the spot, then the focal point should direct it to the agency/entity implementing the subproject. The agency/entity might want to coordinate and work together with the village and/or *kecamatan* office to solve the issues. If the complaint cannot be solved with this approach, the agency/entity will direct the complaint to the relevant agencies at the district/city level through Bappeda; and if it remains unsolved, the complaint will be directed to the relevant agencies at the provincial level through Bappeda; and finally, if it remains unsolved at this level, they will be directed to the national level to the RIDA. RIDA's GRM focal point will coordinate with relevant agencies at the national level, as necessary, to facilitate the follow-up/solution.
- Dispute resolution on-site can be mediated by the village or *kecamatan* officials, or, if this is unsuccessful, the complainant and the agency/entity implementing subproject agree on assigning a mediator who do not take sides;
- The focal point will notify the complainants on the follow-up actions and the dates of completion of such actions;
- Complaints will be followed-up the soonest as possible, and there will be service standards for responding to complaints;
- Solved complaints will be recorded and unsolved complaints that need to be followed up at the higher level are also recorded;
- During the process of receiving and following up complaints, the focal point will closely coordinate with and report to the agency/entity implementing the subprojects.

177. *Grievance log, records and reporting.* The agency/entity implementing the subproject should develop a data base of the grievance/complaint and update it immediately as there are new development on complaint handling status. The data base should at least cover the following information:

- Number of complaints received: date, identity of complainant (including anonymous), type of complaint
- Number of complaints resolved: date, follow-up action, identity of complainants (including anonymous)

- Number of complaints that have gone to mediation: status
- Number of unresolved complaints: status, type of complaints

The district/city's agency/entity implementing the subproject should prepare a quarterly consolidated report on the complaints, follow-ups, and unresolved complaints, and this report should be shared with the RIDA and a copy of the report should be shared with the district/city's Bappeda and the provincial Bappeda. The agency/entity implementing the subproject is expected to strengthen its current GRM system and encouraged to establish a web-based GRM so that the status of complaints and follow-up can be real time and disclosed to the public.

178. *Financing.* Strengthening of the existing GRM system, including the assignment of a focal point or staff to manage it will be financed by the district/city's agency/entity implementing subproject, or by Bappeda or by sectoral local agency, as relevant, through their local budget.

179. **GRM at the provincial level.** The provincial's agency/entity implementing the subproject will be responsible for managing complaints and dispute resolution and follow-up. The Project encourages the agency/entity (as a focal point) to utilize the existing GRM system (including the access points/complaint uptakes, staff assigned to manage the GRM, standards operating/service procedures, etc.) and continuously improve it to meet the requirements and the needs to handle complaints related to this Project.

180. It should be noted that for subproject by which the site is located across the administrative boundaries of more than one district/city, complaints might need to be handled at the provincial level. Complaints filed and dispute resolution in relation to the preparation of the ITMP, particularly those related to environmental and social issues would be managed at the provincial level in the case that they involve areas of more than one district/city. Provincial Bappeda will be the focal point for managing complaints related to the ITMP preparation, and sectoral agencies will be the focal point for managing complaints and dispute resolution related to the preparation of the sectoral master plan.

181. *Focal point.* Usually, for a particular subproject, the agency/entity assigns a manager whose daily tasks monitor and supervise the implementation progress on the ground. This manager can be the person assigned for receiving and following-up complaints. Another possibility is to assign the supervision consultant for the civil works, who is hired by the agency/entity, to also receive complaints and communicate them with the subproject manager and/or the agency/entity implementing the subproject for follow-up. It is expected that in this Project, on-site complaints would be those related to the improper handling of the environmental and social impacts during construction, namely temporary disturbance due to civil works such as dust, noise, disturbance on access, materials storage, traffic, recruitment of local workers, spillage, etc., which can be normally solved immediately by the contractors and/or by the agency/entity implementing the subproject.

182. The provincial agency/entity implementing the subproject may have to coordinate with each district to find solution of the complaints in the case that the subproject is administratively located in more than one district. If this is the case, depending on the nature of the complaints, coordination with relevant district/city agencies may have to be done through the respective district/city Bappeda.

183. *Access points or complaint uptakes.* Complaint uptakes should be easily accessible and well-publicized or socialized to the public, particularly the affected community members. Socialization of the uptake channels can be done through local media, website of the agency/entity implementing the subproject, or provincial Bappeda, or Sectoral Agency preparing the Sectoral Master Plans, and/or through the nearest village office and public facilities such as mosques, local markets, etc. The uptake channels must be in a location that

is seen credible and accessible. The uptake channels can include some or all of the following, owned and managed by the agency/entity implementing the subproject: phone hotline, email, mail, SMS, whatsapp, webpage, or face-to-face. A complaint box put in the subproject field camp or in the base camp of the supervision consultant is a common practice to collect complaints. A complaint box may also be put in the provincial Bappeda office for receiving complaints related to the preparation of the ITMPs, and relevant sectoral office for complaints related to the preparation of the Sectoral Master Plans.

184. *Processing complaints and disputes resolution.* All complaints received should be recorded in the grievance log book even though it was received verbally and solved on-the spot. This is to encourage responsiveness and to ensure that repeated or low-level complaint are being noted in the system. The main steps to process the complaints are as follows:

- Complaint is recorded in the grievance log book;
- The complainant will be given a receipt or notification for his/her complaint and be provided an information on how the complaint process works and when to expect further information;
- The recorded complaint is verified on the ground, if it is valid and relevant to the subproject, then the focal point will discuss it with relevant parties for follow-up;
- Complaint will be as much as possible followed-up on the spot as immediate as possible, if a complaint cannot be solved on the spot, then the focal point should direct it to the agency/entity implementing the subproject. The provincial's agency/entity might want to coordinate and work together with the relevant district/city agencies through the district/city Bappeda to solve the issues. As necessary, the provincial's agency/entity will direct the complaint to the relevant agencies at the provincial level through provincial Bappeda; If the complaint remains unsolved at this level, it will be directed to the national level to the RIDA. RIDA's GRM focal point will coordinate with relevant agencies at the national level, as necessary, to facilitate the follow-up/solution.
- Dispute resolution on-site can be mediated by the village or *kecamatan* officials, or, if this is unsuccessful, the complainant and the agency/entity implementing subproject agree on assigning a mediator who do not take sides;
- The focal point will notify the complainants on the follow-up actions and the dates of completion of such actions;
- Complaints will be followed-up the soonest as possible, and there will be service standards for responding to complaints;
- Solved complaints will be recorded and unsolved complaints that need to be followed up at the higher level are also recorded;
- During the process of receiving and following up complaints, the focal point will closely coordinate with and report to the agency/entity implementing the subprojects.

185. *Grievance log, records and reporting.* The provincial's agency/entity implementing the subproject should develop a data base of the grievance/complaint and update it immediately as there are new development on complaint handling status. The data base should at least cover the following information:

- Number of complaints received: date, identity of complainant (including anonymous), type of complaint
- Number of complaints resolved: date, follow-up action, identity of complainants (including anonymous)
- Number of complaints that have gone to mediation: status
- Number of unresolved complaints: status, type of complaints

The provincial's agency/entity implementing the subproject should prepare a quarterly consolidated report on the complaints, follow-ups, and unresolved complaints, and this report should be shared with the RIDA, and a copy of the report should be shared with the provincial

Bappeda. The provincial agency/entity implementing the subproject is expected to strengthen its current GRM system and encouraged to establish a web-based GRM so that the status of complaints and follow-up can be real time and disclosed to the public.

186. *Financing.* Strengthening of the existing GRM system, including the assignment of a focal point or staff to manage it will be financed by the provincial's agency/entity implementing subproject, or by Bappeda or by sectoral local agency, as relevant, through their local budget.

187. **GRM at national level.** At the central level, RIDA will be the focal point that coordinate the GRM with agencies at the national level. In the case that complaints cannot be solved at the lower levels (provincial and district/city levels), RIDA will facilitate the follow-up and dispute resolution with relevant national agencies, as necessary. RIDA will receive quarterly GRM report from the provincial and district/city level. The RIDA of MPWH will establish a GRM team to receive and facilitate resolution of specific concerns of affected communities and physical investment participants not only limited to environmental and social issues, but other issues related to the Project, using and building on existing GRM as much as possible. The GRM will aim to resolve concerns promptly, in an impartial, understandable and transparent process tailored to the specific community, and at no cost or without retribution to the complainant/s.

188. As the Project also involves other government ministries/agencies, the RIDA of MPWH will respond to the grievances as presented in Figure 6. All grievances will be able to be filed through the official website [[bpiw.pu.go.id](http://bpiw.pu.go.id)]. Other agencies involved in this Project who are members of the Technical Committee will also receive complaints relevant to the Project through their own websites or other venues (such as short text message and twitter). They will be reported in a written form to all related parties and be shared during the regular (cross-ministry/agency) Technical Committee meeting for actions or for notifications. The RIDA will maintain a log in which all grievances will be recorded, along with actions taken to resolve the grievance, feedback given to the complainant, and complainant's response.

189. The RIDA is staffed with people with various educational background and experiences. RIDA will add technical expertise to its unit (including through the PMS Consultant) and plans to establish a Technical Expert Team to manage this Project (see Section 6.2), including for overseeing and advising stakeholders agencies in implementing the ESMF. Capacity of RIDA in complaint handling is still limited and therefore the Project will strengthen its capacity in managing complaints. In this Project, the RIDA plans to assign one of its technical experts (for instance, the institutional expert) to manage complaints as part of its GRM team. With the assistance of the PMS Consultant, RIDA will also develop a Standard Operating Procedure for Complaint Handling that in detail will specify, among others: the responsible unit, development and maintenance of venues and media for complaints/follow-up, flows of complaint handling, standard service, assessment, verification process, procedures to receive and respond to complaints (including appeals), grievance log and documentation, socialization of the system and disclosures, and reporting. The RIDA's GRM team that will oversee complaint handling will be trained by the PMS Consultant.

190. The grievance mechanisms for complaints is as follows:

1. The public will submit complaint through a form on the RIDA website.
2. The complaint will be processed by the team formed by the RIDA.
3. Relevant files will be forwarded by the RIDA to Units of Organizations in the MPWH (DG Human Settlements, and DG Highways) within 3 working days and other Ministries/Agencies within 5 working days, while irrelevant ones will be recorded.
4. Responses will be processed by the Team and to be announced in the RIDA's website as well as to be compiled as reports to the Head of the Strategic Area Development Center in RIDA.



5. The Head of the Strategic Area Development Center in RIDA will discuss it further in routine meetings of the Technical Committee including complaints that are received through the Technical Committee's ministries/agencies.

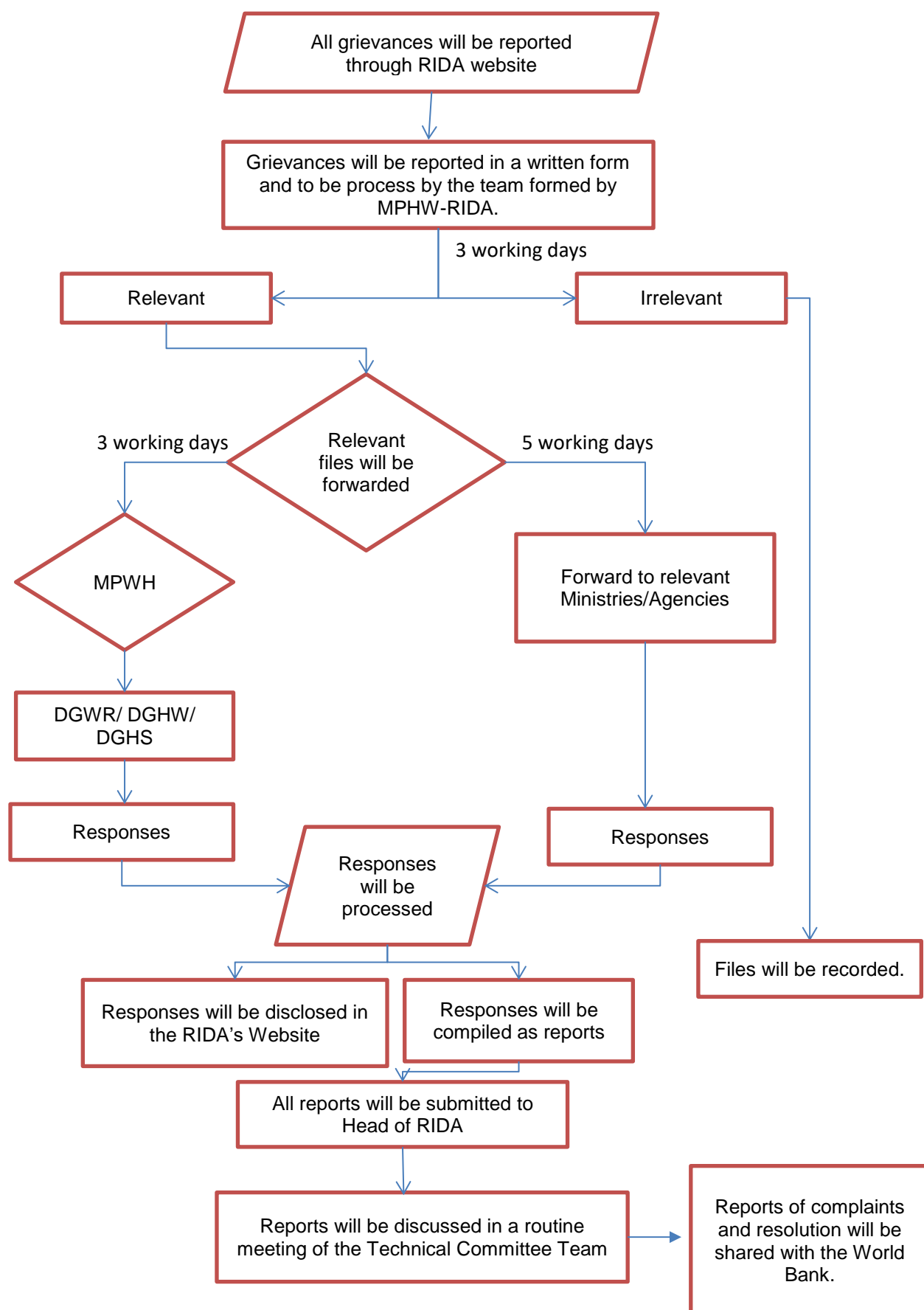
191. RIDA will inform the World Bank of complaints received and report on their resolution. RIDA will also inform the public on access to the World Bank's Grievance Redress Systems.

192. The PMS consultant will assist RIDA in socializing the overall GRM system of the Project to the relevant provincial and district/city agencies in the three destinations and provide them the necessary training to strengthen their existing GRM system.

193. It is expected that the Project can develop a single web-based complaint handling system whereby any complaint will be logged in in a single access point or complaint uptake and follow-status can be shown at any point of time accessible to the public. In this case, the agency/entity implementing the subproject at any level, will only need to upload the status of complaints and follow-ups and unresolved complaints regularly in that single access point or complaint uptake. The web-based complaint handling system will show the real-time complaint handling status.



**Figure 6 Grievances Redress Mechanism**



## 8.0 PUBLIC CONSULTATION AND DISCLOSURE

194. RIDA has carried out two-round public consultations on, first, the TOR for the ESMF (including the TOR for the ITMP consultant) and, second, the Draft ESMF and Draft ESSA in three destinations and in Jakarta.

195. The Draft TOR for the ESMF both in English and Bahasa Indonesia was disclosed in the RIDA/BPIW's website [bpiw.pu.go.id](http://bpiw.pu.go.id) prior to the first round of public consultations. The consultations were carried out in Jakarta, Parapat (Lake Toba destination), Magelang (Borobudur-Yogyakarta-Prambanan destination), and in Senggigi (Lombok Island destination) during April 3-12, 2017.

196. RIDA completed the Draft ESMF both in English and Bahasa Indonesia and disclosed them on its website on 22<sup>nd</sup> June 2017 prior to the second round of public consultations. The Draft ESMF was uploaded on 22<sup>nd</sup> June 2017 in the RIDA/BPIW's website, i.e., [http://bpiw.pu.go.id/uploads/ESMF\\_ENGLISH.pdf](http://bpiw.pu.go.id/uploads/ESMF_ENGLISH.pdf) and [http://bpiw.pu.go.id/uploads/ESMF\\_BAHASA.pdf](http://bpiw.pu.go.id/uploads/ESMF_BAHASA.pdf) and in the Bank Infoshop on 21<sup>st</sup> June 2017 (<http://projects.worldbank.org/P157599?lang=en>).

197. The public consultations on the Draft ESMF and Draft ESSA took place in Medan (Lake Toba destination), Mataram (Lombok Island destination) and Yogyakarta (Borobudur-Yogyakarta-Prambanan destination), as well as in Jakarta, during July 10-19, 2017. The same invitees of the first-round public consultations were invited for the second round with additional invitees added to the list as recommended by stakeholders who had attended the first-round consultations. For instance, invitees for the second-round public consultations for Lombok Island destination included the Leader of the Sasak Community, the Chairperson of AMAN Lombok, the Chair of AMAN and the Sasak Adat Assembly. Similarly, for Lake Toba destination, the RIDA invited AMAN of Tano Batak and AMAN of North Sumatera. More NGOs were also invited during the second-round of public consultations. Several of them attended the consultations, however, the representative from AMAN only attended the consultation in Lombok. It was encouraging, however, that NGOs and representatives from Universities who attended the meeting in Medan and Mataram voiced the concern that the Masyarakat Adat or Masyarakat Lokal should be included in the preparation and implementation of the ITMPs.

198. At the time of these consultations, what is now the Project was being prepared as a combination of two financing instruments: Program-for-Results Financing and Investment Project Financing. The ESSA that was prepared for the Program-for-Results covered the activities that are now Components 1, 2, 3 and (part of) Component 4 of the Project, and the ESMF disclosed on 22 June 2017 covered the technical assistance packages under Component 4, the content of which has become Component 4. Much of the content of the ESSA has been added to the initial ESMF that was consulted on in July 2017, and the new ESMF thus covers all four components. Since the ESSA and the initial ESMF were consulted on together, the public consultations covered the same material that is now in this ESMF, and all the issues, concerns and recommendations expressed by stakeholders have been incorporated in it.

199. Detailed documentation of the first and second rounds of public consultations are presented in the Appendix 10 and 11. The following are the key relevant issues, concerns and suggestions from the participants which have been incorporated in this new Draft ESMF, among others:

### **Toba Destination (July 10, 2017)**

200. **Tourism development should benefit local community.** Local governments expect that the Project does not only include physical development but also programs that can accelerate local economic development that benefits local communities. Human resource capacity strengthening is needed for local community to be able to increase its capability to

participate and benefit from the tourism development. Infrastructure development should be carried out in parallel with community empowerment to avoid conflicts. Capacity strengthening for local governments and communities is crucial particularly for creating awareness against illegal waste dumping, better solid waste collection management system, land management, partnerships in land utilization, English language course, increased awareness on local values and practices that attract tourists, mental and behavior preparation for receiving visitors, and methods to customary house preservation.

**201. Natural resources should be rehabilitated and cultural assets should be maintained.** Local governments together with communities should improve the degraded natural resources that attracts tourists. Water quality of Lake Toba has worsened as it has been used by the community for sources of drinking water and irrigation, aquaculture, and industrial activities. Development in the surrounding areas of Lake Toba has rapidly become uncontrolled. It was identified that there are 15 geologic sites in the surrounding areas of the Lake Toba, which are potential for tourist attractions. The surrounding areas of Lake Toba are also inhabited by various indigenous communities with unique customary practices and values, land in customary ownership, as well as internal organizational structures governed by hereditary rules. These cultural values and customary land should be preserved by the strengthening the local community organization so that they can attract tourists while at the same time, prevent the indigenous communities from adverse impacts of tourism development.

#### **Lombok Destination (July 13, 2017)**

**202. Management of coastal and beach areas.** Coastal and beach areas are important tourist destinations in Lombok. Public access and use in these two areas have become more restricted as privatization of public space increases particularly due the hotels and resorts development. The local governments should control and manage the development of coastal and beach areas in a way that public access is maintained, particularly for the community to carry out ritual activities as part of their cultural practices; livelihoods of coastal communities are not adversely affected by tourism development; and, spatial and land use development are well-organized.

**203. Community-based tourism and local cultures.** Village-based and community-based tourism initiatives and activities have grown rapidly in Lombok. At least 40 tourist villages in the District of East Lombok with land-based homestays, managed by the indigenous local communities in cooperation with land owners and funders, have been effective in avoiding land selling to outsiders, in increasing income of local families, in conserving natural resources for tourist attractions, and in attracting tourists who are interested in back-to-nature activities and style of living. The social, cultural and economic success of this tourism development model has encouraged other district governments in Lombok to promote this model to villages and local communities in their regions. The challenges ahead are diversification of attractions; development of other models of homestays such as water-based homestays (houses built on the coastal/sea), wood homestays (on the trees) and cave homestays; quality improvement of the existing homestays; better services that can be provided by the village and homestays; providing better access including expansion of internet service (for bookings; agenda of events; information on tourist attractions, etc.); and, local community's preparedness (cultural values, language, behavior, services) to receive visitors. The local government is expected to assist the village administration and local communities in the development and expansion of village-based and community-based tourism development and to address such challenges without influencing their independency. The local government is also expected to establish standardization of village for tourist destination so that all villages will have common standards quality service for tourists. The Integrated Tourism Development Plan should be carefully prepared and should promote the potential of

tourism development in Lombok such as the village-based and community-based tourism activities.

**204. Social issues due to unpreparedness of the community.** While village-based and community-based tourism development have significantly benefitted the villages and local communities, concerns on the potential adverse social impacts due to the unpreparedness of the local communities have increased. Anticipation of adverse social impacts due to tourism development (such as “party tourism” in Gili Trawangan) needs to be done as early as possible, and measures to prevent the local community from adverse impacts have to be developed. It is expected that in addition to infrastructure, the Project will also include capacity strengthening for the community, such as community awareness, empowering identity of local culture, and empowering women. The Project is expected to produce an ITMP and other plans that are disabled friendly to disabled persons. The Project is also expected to assist the local governments and the village communities to carry out campaign, socialization and marketing for tourism development, and the ITMP should be able to develop community-based tourism models that are tailored to the characteristics of the local cultures and natural resources.

### **Borobudur Destination (July 17, 2017)**

**205. Empowering local community to benefit from tourism development.** The Project is expected to promote village-based and community-based tourism development, particularly in the surrounding areas of the Borobudur Temple. Many tourist villages with homestays have flourished in the surrounding Borobudur Temple, each with its own uniqueness as tourist attractions. Strengthening the capacity of local communities to be able to benefit more from tourism development is a crucial need. The Project is expected to provide capacity building and training to improve the processing of local agricultural products, the quality of local culinary activities, and the packaging and promotion of local products. It is also expected to promote the development of home industries, as well as strengthen the management capacity and design of homestays, improve hospitality and “sadar wisata” (conscious tourism) and provide better infrastructure that can expand the attractiveness of the village, such as a heritage trail.

**206. Environmental issues and protection of Borobudur Temple.** Concerns of poor or insufficient solid waste collection management system in the Borobudur Temple and its surrounding areas. There is a need for having small-scale, appropriate technology for solid waste processing and provision of solid waste disposal facilities that include waste bank programs for communities. The local government should control land development and promote environmentally friendly development that allows sufficient water infiltration or better drainage system to avoid flooding. There were concerns that the Borobudur Temple has suffered from the misbehavior of visitors, and therefore awareness and communication training should be provided to the local tourist guides to be able to brief visitors prior to entering the temple and exercise some control of their behavior while inside it.

**207. Land use development and management.** Tourism development has increased land prices and speculation in the surrounding areas of the Borobudur Temple. The local government is expected to protect the vulnerable -- particularly farmers with small land holdings -- by for example increasing their capacity to establish partnerships with investors instead of selling their land. The ITMP is expected to review Presidential Regulation No. 58/2014 on the building codes and regulation for development in Zone 1 (which is supposed to be conservation area), develop plans and programs that promote development in Zone 2 instead of in Zone 1, review the implementation of Regulation No. 58/2014, and develop disincentives for development that violates this regulation. In addition, the ITMP should identify and carry out mapping of the homestays in the surrounding areas of the Borobudur Temple, and prepare programs for improving the quality and numbers of homestays along with the supporting infrastructure and services so that tourists will stay in this area instead of in the City of Yogyakarta.

**Jakarta (July 19, 2017)**

208. **Scope of ITMPs.** As the District of Pakpak Bharat constitutes a source of water for the other seven districts in the Toba destination, it should be included in the planning areas of the ITMP. In addition, ITMPs should take into consideration: (a) Presidential Regulation No. 13/2012 on the Spatial Development Plan of Sumatera; (b) tiger habitat in the surrounding areas of the Lake Toba; (c) administrative boundaries, ecological boundaries, and social boundaries that relate to the environmental carrying capacity; (d) inclusion of social mapping; (e) the long-term impacts of tourism development while developing programs that directly involve local communities; (f) an assessment of vulnerable groups and program activities suitable for them.

209. **Community development, local economic development and international chains.** There was a concern that tourism development would not give significant benefits to the local economy and communities. The ITMPs should include assessment and programs that strengthen local economy and communities, and promote local products instead of international products through strengthening the local communities in the supply chains. Community capacity strengthening and certification are important to promote them in the tourism development.

210. **Basic infrastructure and services.** Sanitation including solid waste management is a serious issue in the tourist destinations; there is lack of awareness in the community and local governments on the importance of good and well maintained sanitation services for the local community and tourists. Local governments should be more responsible for the operation and maintenance of sanitation. Awareness of local communities on the discipline for not littering is lacking, and there have been complaints of garbage issues in Mount Rinjani National Park (Lombok) which has reduced its attractiveness for tourists. Infrastructure development in tourist destinations should avoid environmental degradation; its design should be prepared in consultation with ecologists. Infrastructure development should consider the management and institutional capacity to ensure its long-term sustainability.

211. **Social aspect, environmental management and natural habitats in the tourist destinations.** Infrastructure development should take into account the animal population, protected species and natural habitats in the tourist destinations. Eco-roads and eco-tourism should be promoted. The habitat of the green turtle in Lombok is a potential attraction for tourists, but awareness of the local community to protect and maintain the ecosystem needs to be improved. Disaster aspects need to be considered in tourism development and in the ESMF. It is important to involve local leaders and local institutions at the village level to promote community participation in tourism development, with cultural approach at the community level. The ITMPs should be able to develop innovative approaches on partnerships and collaboration schemes between the land owners and private investors in tourism development. The ITMPs should promote land banking, as infrastructure development is often delayed because of the land acquisition issues.

## 9.0 MONITORING AND EVALUATION

212. The M&E of the ESMF implementation during project implementation provides information about key safeguards aspects, particularly progress in implementing provisions of the ESMF, the effectiveness of the recommended mitigation measures, remedial actions to address environmental and social impacts, and any needs to amend the ESMF to improve environmental and social outcomes.

213. RIDA will conduct regular M&E of ESMF implementation. Indicators that will be used as the guidance of the M&E will include:

- Completion of environmental and social instruments as required.
- Implementation of environmental and social management measures as set out in the ESMPs.
- Submission of environmental and social monitoring reports by subproject proponents, as called for in UPLs and RPLs and otherwise required by RIDA
- Status of land acquisition and resettlement activity
- Progress of environmental and social capacity-building
- IPP implementation
- Any grievances filed, actions taken, and close out

214. The Project will be monitored and evaluated through multiple agencies, mechanisms, and data providers. Results of M&E will be coordinated by designated technical staff across the Project's key implementing agencies—the MPWH, the Ministry of Tourism, and BKPM. However, data collection and analysis will require complementary efforts from various other ministries/agencies (e.g. Manpower and Transmigration), including at the subnational level (e.g. provincial/local Public Works Agencies, Environmental Boards, TVET institutes, local one-stop services). The Program will also leverage the detailed information collected through the Demand Assessments that were conducted as part of Program preparation.

215. RIDA is in charge of monitoring and evaluation of the safeguards documentation. RIDA intends to establish have a special safeguard unit that is responsible for the monitoring and evaluation of the entire safeguard documents of the planned activities/sub-projects, and to make sure that the implemented project has proper safeguards documents. The unit will also monitor the progress of safeguard instruments that are required for related activities/sub-projects in the priority areas. Moreover, RIDA's safeguards unit is accountable for M&E, reporting, and documentation of the implementation of the ESMF, as well as problem resolution. The ESMF implementation report will be a part of the Project progress report.

216. In collaboration with the RIDA, the World Bank's safeguards team will review the safeguards documentation. The World Bank's team will also be conducting supervision for the implementation of the ESMF of the implemented activities/sub-projects.

217. If considered appropriate by World Bank or RIDA, independent institutions will be selected by the RIDA to conduct evaluation, monitoring, and reporting of implementation of the ESMF including capacity building. Budget for the independent institution is included in the safeguards budget allocated for the ESMF.



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## APPENDICES

## APPENDIX 1

# TOR OF THE INTEGRATED TOURISM MASTER PLAN

### TERMS OF REFERENCE FOR AN INTEGRATED TOURISM MASTER PLAN PREPARATION – [select one: LAKE TOBA / BOROBUDUR-YOGYAKARTA- PRAMBANAN / LOMBOK] TOURISM DESTINATION

Draft

#### I. INTRODUCTION

The Government of Indonesia has decided to transform Indonesia's economy using tourism as one of the main growth drivers. More specifically, it aims to increase foreign visitors, domestic visitors, foreign exchange earnings, employment and tourism competitiveness through the integrated development of priority tourism destinations. The Government is preparing a tourism development program under the overall guidance of the National Tourism Coordination Team, with the Ministry of Tourism (MoT) as coordinator and with the Ministry of Public Works and Housing (MPWH) as an executing agency, working together with several other Ministries and Agencies as implementing agencies, and bringing together APBN, APBD-I, and APBD-II<sup>44</sup> to implement the Government's program and achieve these goals.

The Government decided to sequence the development of priority destinations and to start the program in 2017 with Lake Toba in North Sumatra province, Lombok in West Nusa Tenggara province and Borobudur-Yogyakarta-Prambanan in Central Java province and the Special Region of Yogyakarta. The program will include the preparation of Integrated Tourism Master Plans (ITMPs) for each priority destination in order to provide a strong framework for effective and sustainable tourism and land development.

The Government of Indonesia intends to apply for financing from the World Bank toward the cost of the Indonesia Tourism Development Program (the "Operation"). The Government has requested for Advance and Grant financing for the preparation, and initial implementation, of the proposed Operation comprising of Program-for-Results financing and an Investment Project Financing component for selected consulting services. The World Bank has made available an Advance out of the World Bank's Project Preparation Facility and a Grant from the Indonesia Infrastructure Support Trust Fund. The subject consulting services ("the Services") include the development of an Integrated Tourism Master Plan for sustainable tourism development in [select one: Lake Toba destination / Borobudur-Yogyakarta-Prambanan destination / Lombok destination]. [in case of Borobudur-Yogyakarta-Prambanan destination, add: The Services include the development of a Visitor Management Plan for the Borobudur Temple Complex, as detailed in Annex 4].

These terms of reference will be consulted upon as part of the public consultation on the Environmental and Social Management Framework (ESMF), and any required revisions identified during this consultation process will be added to the terms of reference and discussed with the Consultant at Contract Negotiation.

#### II. SCOPE OF WORK

The Consultant will prepare an Integrated Tourism Master Plan, consisting of a) a phased overall development plan for the entire *tourism destination area* and detailed development plans for prioritized *key tourism areas* within the *tourism destination area* (defined in Annex 1); b) an investment and financing plan for infrastructure and services; and c) an institutional development program and a capacity building program. The Integrated Tourism Master Plan

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<sup>44</sup> APBN - *Anggaran Pendapatan dan Belanja* Negara Indonesia (State Expenditure Budget); APBD I - *Anggaran Pendapatan dan Belanja Provinsi* (Regional Expenditure Budget for Provincial level); APBD II - *Anggaran Pendapatan dan Belanja Daerah* (Regional Expenditure Budget for District level).

will provide the necessary framework for effective and sustainable tourism development, and will guide the downstream revision and/or preparation of spatial plans, sectoral master plans and other relevant plans at the Central and subnational level (identified in Annex 3).

An integrated approach is essential, combining international experience and local knowledge, seeking synergies between wide-ranging development initiatives, linking multi-sectoral infrastructure development with spatial development planning, and merging sustainable tourism development with the preservation of natural (including biodiversity), cultural heritage and social assets. Given the cumulative and induced impacts, and impacts of associated facilities, of tourism development, a holistic and systematic approach to the assessment of environmental, social and cultural heritage opportunities and constraints is warranted as part of the preparation of the Integrated Tourism Master Plan. Crucial is to actively engage a wide array of stakeholders throughout the planning process, including institutions at all levels of government, state owned enterprises (SOEs), the private sector and local communities.

The scope of work for the preparation of the Integrated Tourism Master Plan includes the following eight broad categories of interrelated tasks:

- A. Analysis of the institutional and legal, regulatory and policy framework;
- B. Analysis of demand and opportunities for *tourism destination area* development;
- C. Analysis of baseline conditions of spatial plans, infrastructure gaps and visitor attractions and facilities;
- D. Articulation of environmental, social, socio-economic, and cultural heritage opportunities and constraints;
- E. Preparation of growth projections and development scenarios;
- F. Detailing of the preferred development scenario;
- G. Formulation of the integrated tourism master plan; and
- H. Ensure active stakeholder engagement.

The Integrated Tourism Master Plan is conceived as a coordination platform for the development of the tourism destination and as the instrument that will pave the way for effective and sustainable tourism development. The Integrated Tourism Master plan is intended to prevent the adverse impacts that can occur when tourism development proceeds in an unintegrated manner, such that growth in visitor arrivals outstrips provision of facilities to manage the burdens that growth may impose on natural and cultural resources and host communities. It will identify the priority programs needed to strengthen tourism activities at the local level and will provide detailed recommendations for the preparation and revision of local and provincial spatial plans and sectoral master plans (*if necessary*), but is not in itself a spatial planning document with statutory effect under the Indonesian Urban Planning Framework.

### III. SPECIFIC TASKS

The Consultant will conduct a number of activities that have been identified as essential for the preparation of the Integrated Tourism Master Plan for each of the eight broad categories of interrelated tasks. The Consultant will make its own assessment, identify additional activities and requirements and prepare its work plan in the Technical Proposal accordingly. **Tasks A, B, C and D** will result in a thorough analysis and understanding of the baseline condition. **Tasks E-G** constitute a strategic and participatory planning exercise that will result in the formulation of the Integrated Tourism Master Plan. Active stakeholder engagement—**Task H**—is part and parcel of the entire approach throughout the assignment.

While carrying out **Tasks C, D, E, F, G and H**, the Consultant will have to adopt and be in compliance with the ESMF of the Investment Project Financing for the National Tourism Development Program, which will be provided to the Consultant by the Regional Infrastructure Development Agency (RIDA) of the MPWH and made available at [www](http://www). While carrying out this assignment, the Consultant is expected to set up, and perform the tasks from, a field office located in the destination.

### **A. Analysis of the institutional and legal, regulatory and policy framework**

The Consultant will make a thorough analysis of the existing institutional and legal framework related to integrated tourism and spatial development in the *tourism destination area*. This includes identification of agencies responsible for tourism development, spatial development planning, infrastructure planning, as well as environmental, social and cultural management. The legal framework consists of spatial planning documents, such as the *Rencana Tata Ruang Wilayah* (RTRW) at *kecamatan*, *kota/kabupaten*, and provincial levels<sup>45</sup> and the *Rencana Detail Tata Ruang* (RDTR); sectoral master plans, such as for water supply, solid waste management, and power supply; environmental and social management plans, such as AMDAL, UKL/UPLs, and LARAPs;<sup>46</sup> Indigenous Peoples studies/documents; and cultural heritage site management plans, among others. The Consultant will include in the analysis the following specific activities:

- Identification of the planning authority/authorities within the destination for the various components; e.g. land use, transport, utilities, and visitor management to main World Heritage Sites (WHSs).
- Identification of all stakeholders and collaboration arrangements between them to develop the tourism program; e.g. governments, SOEs, private sector, communities, and nongovernmental organizations (NGOs).
- Evaluation of the regulatory framework within which planning implementation will occur.
- Review and evaluation of relevant existing spatial and sectoral development plans (including plans for national parks, *if applicable*), including all regulatory instruments and associated policy documents currently in place to guide and control development.

### **B. Analysis of demand and opportunities for *tourism destination area* development**

The Consultant will analyze local economic conditions and development trends to obtain a detailed understanding of the current situation and development potential of the *tourism destination area* in terms of population, employment, and regional economy with special focus on tourism development. This analysis will include the following specific activities:

- Assemble and review information on population (including ethnic minorities, vulnerable groups, Indigenous Peoples (IPs)) and employment growth trends, including temporary residents (visitors) and in-migration of job seekers.
- Assemble and review information on all areas of potential economic growth, such as agricultural production, fisheries, food processing, commercial enterprises, industry, and services including tourism and travel, to identify and assess the linkages between the various sectors of the economy affecting, and affected by, tourism development in the tourism destination area.
- Assemble and review information on domestic and foreign visitors and related accommodation, facilities, and attractions, past visitor trends and projected growth, and related demand for new tourism enterprises and services with particular emphasis on the Market Analysis and Demand Assessment study commissioned by the World Bank Group under a separate contract ([Add link to access each assessment – MoT and/or MPWH to upload](#)).

<sup>45</sup> In Indonesia, subnational governance includes four levels: (1) province/*Provinsi*, (2) city/*Kota* and regency/*Kabupaten*, (3) sub-district/*Kecamatan* or district/*Distrik* and (4) urban community/*Kelurahan* or village/*Desa*.

<sup>46</sup> AMDAL - *Analisis Mengenai Dampak Lingkungan* (the Indonesian environmental assessment process); UKL-UPLs - *Upaya Pengelolaan Lingkungan Hidup / Upaya Pemantauan Lingkungan Hidup* (Environmental Management Plan/Environmental Monitoring Plan); LARAP - Land Acquisition and Resettlement Action Plan. Refer also to the ESMF.

- Assemble and review information (i.e. from the Market Analysis and Demand Assessment study) on capabilities and skills of local businesses, especially local firms and communities to play an active role in, and benefit from, accelerated tourism development.

### **C. Analysis of baseline conditions**

The Consultant will thoroughly analyze all aspects of relevance for tourism development, including spatial development trends and patterns, infrastructure and service provision, visitor attractions, and visitor facilities. The analysis should result in an in-depth understanding of the baseline condition for tourism development and will identify both spatial planning (C1) and infrastructure and service provision (C2) issues.

#### **C.1 Spatial planning baseline data analysis**

The Consultant will collect, assemble and analyze relevant information on spatial conditions, environment and culture, including but not limited to:

- Existing land uses and land use planning provided by spatial plans and its gap.
- Spatial development patterns, especially growth patterns and trends of urban, semi-urban, and rural areas.
- Planned new development initiatives related to economic development.
- Tourism accommodations, attractions and their environmental, cultural or social significance, recreation areas and facilities, including planned new investments.
- Land ownership (including land legacy issues<sup>47</sup>) with particular emphasis on *key tourism areas* and strategically significant development locations.
- Topography, vegetation and hydrology.
- Areas of environmental concern and/or significance – protected areas, natural habitats, biodiversity, (endangered) species, water bodies, irrigated paddy fields, natural hazard areas, etc.<sup>48</sup>
- Environmental health conditions – water and air quality, cleanliness, occurrence of water and vector borne diseases (malaria, dengue, etc.) and other health hazards, security and safety concerns, etc.
- Areas of cultural significance – historic, religious, viewsapes, archeological sites, historic trails.
- *If applicable*, Indigenous Peoples (IPs) presence (with map), social economic characteristics, habitats and customary lands.
- Social conflicts.

#### **C.2 Infrastructure and service provision baseline data analysis<sup>49</sup>**

The Consultant will collect, assemble and analyze relevant information on infrastructure provision and service delivery, identify and quantify deficiencies and constraints. This includes the following activities:

- Analysis of connectivity to/external access to the *tourism destination area* (based on the Market Analysis and Demand Assessment study), including identification of current condition, deficiencies and planned investments in airports and airlift

<sup>47</sup> Refer to ESMF on LARPF paragraphs 84–87 on the tasks for ITMP Consultant to assess land legacy issues

<sup>48</sup> [Add for Lake Toba destination TOR: Upon the request of the GOI, the World Bank has commissioned a water quality study for Lake Toba; the Consultant will receive the final study (expected in September 2017) to include these findings in the master planning process].

<sup>49</sup> The standards for *water supply* baselines are included in the SPM Permen PU 01/PRT/M/2014 and SNI 03-7065-2005; for *solid waste*, SPM Permen PU 01/PRT/M/2014, Permen PU 03-2013, SNI 19-2454-2002 and for *waste water*, SPM Permen PU 01/PRT/M/2014. The Consultant will ensure that all baselines meet the appropriate standards for the tourism development objectives.



capacity, ports, toll roads, national and provincial road network, railways, and the external (long distance) public transport system.<sup>50</sup>

- Detailed inventory of existing infrastructure and services and planned investment by both the private and public sector in the entire *tourism destination area* including roads and transport, drainage and flood protection, water supply, wastewater management, solid waste management, power supply, IT and tourism specific services and facilities.
- Collect and provide all infrastructure maps (existing and planned infrastructure by the government and/or private sector).
- Detailed description and analysis of current infrastructure and service levels as baseline for program monitoring and evaluation at the *tourism destination area* level and the *key tourism area* level.
- Identify and quantify current gaps in infrastructure provision and service delivery compared to national standards at the *tourism destination area* level and the *key tourism area* level. This includes establishment of baseline level of services for water supply, sanitation, solid waste, and roads at the kecamatan level using relevant MPWH standards.
- Analyze if and to what extent planned public and private investments will alleviate or resolve identified deficiencies and what gaps remain.

#### **D. Articulation of *environmental, social, socio-economic and cultural heritage opportunities and constraints***

The Integrated Tourism Master Plan will guide the scale and spatial location of future spatial growth, infrastructure, and establish policies and practices to ensure that key environmental, social, community and cultural heritage assets are protected and impacts are properly managed and monitored. An in-depth understanding of constraints and opportunities for development of the *tourism destination area* is indispensable to ensure that tourism development will be sustainable. The underpinnings of the tourism industry are the cultural heritage, natural environment (including biodiversity), and unique cultural identity. The Consultant therefore will collect and interpret the relevant baseline data and develop maps and reports of challenges, opportunities, and constraints for environmentally and socially sustainable growth and for the various types of tourism facilities and supporting infrastructure. Potential environmental and social impacts and risks of tourism development in general, and of the proposed infrastructure development and other activities specified in the Master Plan, will be assessed. Tourism development, if not managed carefully, may lead—for instance—to the degradation of protected areas, the loss of biodiversity and endangered species, and the degradation of culturally significant assets. Nonetheless, tourism also has a strong potential as a driving force in the conservation of the country's environmental assets, protection of its biodiversity and natural habitats, the protection of cultural assets, as well as in environmental awareness and employment generation.

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<sup>50</sup> [Add for Lombok: Based on the Market Analysis and Demand Assessment, external access to Lombok is predominantly defined by: (i) Pamenang Port, located in the northern part of the island and serving the majority of international visitors arriving by speedboat; (ii) Lembar Port, located in the west, and serving the majority of domestic visitors; and (iii) Lombok International Airport, in the south, and expected to be the dominant gateway to the destination in the future; Add for Lake Toba: Based on the Market Analysis and Demand Assessment, the key gateway to Lake Toba destination is the Medan-Tebing Tinggi-Pematang Siantar-Parapat corridor (170 km), serving the majority of domestic and international visitors; Add for Borobudur-Yogyakarta-Prambanan: Based on the Market Analysis and Demand Assessment, the key entry points to Borobudur-Yogyakarta-Prambanan are: (i) for domestic visitors, the regional road network within the Yogyakarta-Solo-Semarang (JOGLOSEMAR) triangle; (ii) for international visitors, the current predominance of the Adi Sucipto International Airport in Yogyakarta is expected to shift after the construction of the new Kulon Progo Airport. The Consultant will review the applicable Master Plan and Development Plan (MPDP) for the relevant Strategic Development Region (*Wilayah Pengembangan Strategis*, WPS) of JOGLOSEMAR and recommend which programs on its list of programs should be prioritized from a tourism program perspective.

Aligned with any bylaws/codes of protected area or WHSs buffer zones, the maps should present “no development” zones, zones suitable only for certain types of development, zones with little or no restriction on type of development, and any recommended building regulations, etc. The World Bank safeguards policies would be taken into account in this task, following guidance as presented in detail in the Environmental and Social Management Framework.<sup>51</sup> Elements of the policies that guide development toward positive outcomes on environmental, social (including gender), socio-economic and cultural heritage conditions will be taken into account in identifying opportunities, and prohibitions and restrictions presented in some of the policies will become parts of the constraints. Policies that are most relevant at this planning stage<sup>52</sup> are:

- OP 4.01 Environmental Assessment and its impact management hierarchy – prevent, minimize, mitigate, and compensate in declining order of preference
- OP 4.04 Natural Habitat and its restrictions on conversion of critical and natural habitat
- OP 4.10 Indigenous Peoples that has among its objectives avoiding or minimizing adverse effects on indigenous communities
- OP 4.11 Physical Cultural Resources which aims at protecting known and chance-finds of cultural property
- OP 4.12 Involuntary Resettlement with particular attention to the principles of avoiding or minimizing displacement, including economic displacement through restriction of access to customary natural resources
- *Environmental, Health, and Safety Guidelines* (World Bank Group, 2007 plus updates, commonly referred to as the EHS Guidelines)<sup>53</sup>. The applicable parts are the General Guidelines, which include air, water, and noise standards; community and workplace safety; pollution prevention; energy and water conservation, etc. plus a number of the sectoral guidelines including:
  - Tourism and Hospitality Development
  - Waste Management Facilities
  - Water and Sanitation
  - Ports, Harbors and Terminals
  - Airports
  - Toll Roads
  - Electric Power Transmission and Distribution.

The principles of the safeguards policies are presented in detail in the Environmental and Social Management Framework. The relevance of the sectoral EHS Guidelines in Task 5 is primarily in site selection for various types of infrastructure. Other aspects of the guidance they provide will be important in Task 7.

### **E. Preparation of growth projections and development scenarios**

Based on the analysis of current conditions and growth potentials, the next step is to prepare growth projections (E1) and to translate these into spatial requirements in terms of possible development scenarios (E2) while taking identified opportunities and constraints (D) in due consideration. The Consultant will prepare GIS-based models for growth projections and for the preparation and visualization of different spatial development scenarios. It is expected that the model will be replicated and used in other tourism destinations and support the Ministry of Public Works and Housing and/or local authorities in the preparation of tourism development plans.

<sup>51</sup> [Add: link to the website and/or draft document uploaded on WB and/or BPIW website].

<sup>52</sup> See also ESMF for reference

<sup>53</sup> [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines)

***E.1 Prepare growth projections and dedicated planning standards***

The Consultant will prepare growth projections for a period of 25 years and medium-term growth projections for 5 years, including tourism, other local economic sectors, population and employment. Population growth projections should consider permanent residents, temporary residents (foreign and domestic visitors), and possible influx of job seekers and their relatives attracted by economic opportunities because of accelerated tourism development. Visitor growth and related tourism employment projections will be derived from the Market Analysis and Demand Assessment study which allows for quantification of demand indicators such as peak visitor loads (at both the *tourism destination area* and *key tourism area* level), numbers of additional hotel rooms, additional capacity of transport networks (roads, airports etc.), numbers of skilled staff required etc.

***E.2 Prepare and discuss alternative spatial development scenarios***

The Consultant will prepare at least three different spatial development scenarios to accommodate and guide the projected growth and will present and discuss the findings, proposed planning standards and the development scenarios with all relevant stakeholders. These scenarios shall reflect varying tourism growth concepts and differing development models of future land use, and related environmental, social, socio-economic and cultural heritage opportunities and constraints. One scenario will be selected for further elaboration, in close consultation with Government of Indonesia (GOI) and which reflects the views of all relevant stakeholders. This specific task would include the following activities:

- Identify additional land needs for future residential, industrial, commercial, and tourism requirements, and infrastructure needs, including land requirements for housing of tourism employees and their relatives.
- Identify competing demands for land, natural resources and infrastructure for tourism development and other (non-tourism) economic sectors.
- Identify environmental, social, socio-economic and cultural heritage opportunities and constraints for growth (refer to task D).
- Identify opportunities for clustering of development to increase efficiency of land use, infrastructure and service provision, including opportunities for combined and cross-subsidized service delivery for tourist accommodations and facilities and local (low-income) communities.
- Assess infrastructure required in support of future development (roads, water supply, wastewater management, drainage and storm water management, solid waste management, housing, transportation, energy, telecommunications and other utilities).
- Identify strategic interventions, areas or activities that could promote or facilitate the private sector, local governments, and communities in participating in the development of visitor-related infrastructure, facilities, and attractions.
- Evaluate each development scenario in sufficient detail to allow stakeholders to compare them in terms of positive and negative economic, environmental, social (including gender) and cultural heritage impacts and adherence to the principles of the applicable World Bank safeguards policies.

***E.3 Preparation of a GIS-based spatial decision-making support system***

The Consultant will also prepare a GIS-based map that will show growth projections at the destination and link it with spatial development scenarios that will help stakeholders make the best decision based on the different scenario options. It is expected that the model could be replicated in other tourism destinations, by applying similar or different variables to the model that are considered important for the destinations. The MPWH will provide access to the relevant 1:25000 scale maps for the destination and, if available, 1:5000 scale maps relevant to the identified key tourism areas. The Consultant will use them to present a visual representation of the scenarios.

## **F. Detailing of the preferred development scenario**

After selecting the preferred scenario, the next task is to prepare an overall development plan for the entire *tourism destination area* (F1) and detailed development plans for existing and selected future *key tourism areas* (F2) (See Annex 1 for spatial boundaries of target areas for planning).

### ***F.1 Preparation of an overall development plan for the entire tourism destination area based on the preferred development scenario using GIS maps.***

Specific activities include:

- Prepare a provisional land use map for the entire *tourism destination area* (for years 2022 and 2042) including the detailed location, shape and size of new development areas with special emphasis on tourism development. The map could present “no development” zones, zones suitable only for certain types of development (restricted), zones with little or no restriction on type of development, etc.
- Identify issues (such as gaps, barriers) in the relevant legislative, policy, and planning frameworks, and their implementation, and provide recommendations that will benefit the sustainable outcomes of the tourism sector. The Consultant will provide specific recommendations on how to strengthen the existing programs and activities of the spatial and sectoral plans so that these can align with the vision proposed in the selected development scenario.<sup>54</sup>
- Identify and discuss land acquisition and tenure issues related to the preferred development scenario.
- In close collaboration with relevant government agencies, the private sector and local communities evaluate, discuss and define for each existing and new *key tourism area* the optimal development perspective, including carrying capacity, typology and extent of visitor accommodation, facilities and services.
- Evaluate phasing options and select priority existing and new *key tourism areas* for development with related detailed size and shape consistent with projected demand for all land uses and with special emphasis on tourism development in blocks of five years (2018-2022 / 2023-2027 / 2028-2032 / 2033-2037/ 2038-2042). The Market Analysis and Demand Assessment study already proposes priority existing and new *key tourism areas* (Annex 1), but these need to be refined, adjusted and/or confirmed as part of this task.
- Prepare conceptual designs and cost estimates for all required infrastructure and services with planning horizon of 5 and 25 years respectively for the entire *tourism destination area*.
- Identify major incremental threshold capacity needs (airport expansion, treatment plants, dump sites, etc.) and prepare a 25-year phasing plan for anticipated major threshold investment for all infrastructure and services.
- Prepare an integrated phasing plan for location and timing of infrastructure and service provision in a gradual way, making sure it responds to the projected visitor demand and it is designed to support and guide tourism development and minimize risks, with a planning horizon of 5 years and 25 years respectively.
- Assess the environmental, social (including IPs) and cultural heritage impacts related to the preferred development scenario at an appropriate scale and level of detail, taking into account cumulative, indirect and induced impacts and impacts of associated facilities, and prepare a high-level mitigation and monitoring plans in accordance with the ESMF.

<sup>54</sup> Add for Borobudur-Yogyakarta-Prambanan: The Consultant will recommend, if applicable, prioritization of the tourism-relevant programs as identified in the MPDP.

- Identify and discuss natural (including biodiversity) and cultural heritage preservation issues related to the preferred development scenario and explore solutions that are compatible, instead of competing, with the infrastructure and service provision of the preferred development scenario.
- Identify local government and community awareness and capacity building needs for inclusive tourism development.
- Identify opportunities and needs for skills development for tourism market supply (education, SME development).
- Identify institutional arrangements to implement the development scenario.

## ***F.2 Preparation of detailed development plans for priority key tourism areas***

In close collaboration with relevant government agencies, the private sector and local communities, the Consultant will prepare detailed phased development plans (5 years planning horizon) for all current *key tourism areas* within the *tourism destination area* (existing clusters of hotel and visitor facilities and attractions) and for new *key tourism areas* that have been prioritized for tourism development in the first 5 years (2018-2022). The list of identified strategies, objectives, policies and programs included in the 5 year plans should be phased annually (2018 / 2019 / 2020 / 2021 / 2022). The plans should be presented at scale 1:5000 together with outline designs and cost estimates for all infrastructure and service provision using GIS-based maps. The Consultant will prepare the plan up to pre-feasibility level for selected infrastructure and service provision (e.g. 2018). The criteria for selection of infrastructure with pre-feasibility plan will be agreed by RIDA and the Consultant. The detailed development plans must be directly linked to projected visitor growth and must be flexible enough to allow for adjustment in case real growth exceeds or falls short of expectations over the years.

The development plans will provide maps and detailed descriptions in terms of existing and future typology and character of the existing and prioritized new *key tourism areas*, detailed land use, specification of visitor accommodation capacity and typology, visitor facilities, services and attractions, housing for tourism sector employees and their relatives, existing and planned infrastructure and services, building regulations and development control. The detailed development plans will provide recommended dedicated planning standards and guidelines to manage and control development, including but not limited to:

- Building densities, floor-space ratios, maximum building heights
- Traffic planning and management
- Water demand, distribution and management
- Wastewater generation and management
- Solid waste generation and waste management
- Drainage and flood protection
- Street lighting
- Electricity demand
- Broadband internet services
- Natural hazards and risk mitigation
- Architectural styles and heritage conservation
- Road design standards to accommodate not only traffic demand, but also requirements for traffic management, pedestrians, road safety, landscaping, parking, signage, etc.
- Landscaping associated with residences, visitor facilities, and other land uses
- Environmental protection guidelines to protect and restore natural areas and biodiversity
- Cultural, religious, historic and archaeological guidelines to protect valued features
- Visitor Management/Crowd Control Plans for tourism sites with limited carrying capacity such as temples, heritage sites and cultural villages.



- Proposed institutional arrangements to monitor the condition of natural, social and cultural assets and to implement the plans for their protection
- Green space, scenic vistas and view-points guidelines
- Recreational use of rivers and lakes
- Efficient use of water in domestic, commercial and industrial uses
- Social Management Guidelines to avoid, or minimize potential social conflicts or adverse impacts due to the implementation of the development plan
- Indigenous Peoples Planning Framework/Guidelines to guide stakeholders implementing the development plan in case proposed activities potentially affect Indigenous Peoples<sup>55</sup>

**G. Formulation of the integrated tourism master plan,<sup>56</sup> consisting of a phased tourism development plan (G1), an investment and financing plan for infrastructure and services (G2 and G3), an institutional development program (G4) and a capacity building program (G5)<sup>57</sup>**

***G.1 Prepare a phased tourism development plan***

Consolidate the results of the overall development plan (task F1) and the detailed development plans (task F2) and prepare a phased tourism development plan in GIS maps, consisting of:

- a land-use plan (1:25,000)
- a phasing plan showing priority locations for development in blocks of five years (2018-2022 / 2023-2027 / 2028-2032 / 2033-2037/2038-2042)
- Detailed development plans for 5 years (scale 1:5,000) for all existing *key tourism areas* and for selected new *key tourism areas* prioritized for the first 5 years of the Program
- a phased tourism accommodation, facilities and services development plan for 5 and 25 years respectively.
- If the Detailed Development Plan indicates that a proposed physical development or land development/use changes would involve involuntary land acquisition and/or resettlement, the Consultant will specify the relevant section of the ESMF<sup>58</sup> to address such land acquisition and/or resettlement.
- a natural assets preservation and environmental and social management plan
- a cultural heritage preservation management plan
- a natural hazards risk mitigation plan
- If the Detailed Development Plan indicates that a proposed physical development or land development/use changes would affect Indigenous Peoples, the Consultant will specify the relevant section of ESMF to address the impacts on Indigenous Peoples.
- implementation arrangements including recommendations regarding legal and regulatory initiatives required to give statutory effect to the integrated tourism master plan and its component parts.<sup>59</sup>

<sup>55</sup> See link to the ESMF

<sup>56</sup> The integrated tourism master plan will provide guidance to the local and provincial authorities during the revision process of local and provincial spatial and sectoral plans. The integrated tourism master plan will identify the priority programs, infrastructure and services needed to strengthen tourism activities on the destination.

<sup>57</sup> See Annex 2 for indicative outline table of contents.

<sup>58</sup> See the ESMF, including its specific Annexes, for guidance.

<sup>59</sup> In the event that it is determined that new laws or regulations are required to implement the master plan, these would be the subject of a separate engagement.



## ***G.2 Prepare a phased integrated infrastructure and services development plan***

Consolidate the results of the overall development plan (task F1) and the detailed development plans (task F2) and prepare an integrated and phased priority infrastructure and services development plan and related cost estimates for all sectors at prefeasibility level for 5 and 25 years respectively, together with conceptual designs. Prepare detailed cost estimates and an investment plan for the first five years. Prepare a 5-year financing plan including distinction of public and private sector contributions and evaluate the economic feasibility of proposed investments.

The investment plan must be directly linked to projected visitor growth and must be flexible enough to allow for adjustment in case real growth exceeds or falls short of expectations over the years. The investment plan must support and guide tourism development and will include:

- Area redevelopment
- External access: airports and airlift capacity, ports, toll roads, national and provincial road network,<sup>60</sup> railways, external (long distance) public transport
- Internal access: internal road network, internal and short distance public transport facilities including water transport, non-motorized transport facilities, traffic management, sidewalks, road safety, parking, etc.<sup>61</sup>
- Drainage and flood protection
- Water supply
- Wastewater management and sanitation
- Solid waste management and cleanliness
- Electricity supply
- Street lighting
- Public amenities
- Broadband internet services
- Specialized tourist related infrastructure such as visitor centers, marinas, jetties, boardwalks, hiking and biking tracks, pedestrian zones, signage, etc.

## ***G.3 Prepare a program of urgent 2018 infrastructure and services investments***

While the GOI budgeting process requires that ultimately by approximately August 2017 the investment program for fiscal year 2018 (January to December) is defined, a budget revision process continues. In anticipation of the preparation of the development scenarios and the infrastructure and services development plan, and to accelerate the development of the *tourism destination areas*, the highest-priority investments for these areas in 2018 must be identified by the Consultant by December 2017, and will be financed with any possible sources.

Investment in improved external access is only marginally related to spatial planning of development within the *tourism destination area*. The need for and phasing of this sort of connectivity infrastructure largely depends on existing deficiencies and overall growth perspective. Informed decisions regarding this type of investment for 2018 can be responsibly made even though the spatial development scenarios are not ready yet. To this end the Consultant will prepare and discuss with all related government institutions an integrated investment program for gradual improvement of external access including all modes of transport on a schedule that can both keep pace with visitor growth and allow for adjustments if actual visitor numbers exceed or fall short of projections, with planning of 5 years and 25 years respectively, and identify urgent first year investment needs including:

- Airports and airlift capacity

<sup>60</sup> For the road network, which is part of the Program, this plan also has to include the needs in terms of maintenance and rehabilitation of existing road network for the five-year period.

<sup>61</sup> For the road network, which is part of the Program, this plan also has to include the needs in terms of maintenance and rehabilitation of existing road network for the five-year period.

- Ports
- Toll roads, national and provincial road network (including maintenance and rehabilitation)
- Railways
- External (long distance) public transport system.

In addition to external access, other highly urgent investments for fiscal year 2018 will need to be identified by December 2017 as well. The Consultant will timely prepare and discuss with all related government institutions a 2018 investment program of urgently needed investments that most likely will come as priority under the master plan. This may concern investments that resolve current deficiencies in infrastructure and service delivery but also other urgent interventions that have been identified at this stage of the Master Planning process as viable and inevitable, technically, environmentally and socially sound and allowing for gradual future upscaling in accordance with population and tourism growth and associated incremental demand for infrastructure and services.

#### ***G.4 Prepare an institutional development program***

The Consultant will prepare an institutional development program for management of sustainable tourism development in the destination area. The institutional development program must ensure that all relevant government institutions are committed to implement the Integrated Tourism Master Plan in a concerted effort. Preparation of the institutional development program will be done in close collaboration with all stakeholders in the destination area (government institutions, SOEs, (semi-)government authorities, private sector, local communities, etc.) and will at least include the following activities:

- Assessment of local government/sub-national government, central government (line ministries), private sector and local community interest and commitment to the realization of the integrated tourism master plan
- Identification of roles and responsibilities of all relevant (semi-) government institutions in implementation of the integrated tourism master plan
- Identification of management and coordination responsibilities, including annual action plan preparation, monitoring and evaluation of progress and performance indicators, environmental and social safeguards, etc.
- Identification of planning and coordination mechanisms for management of development in the entire *tourism destination area* and specific arrangements as necessary for sub-areas, i.e. the *key tourism areas, cultural heritage sites, environmentally and socially sensitive areas, etc.*
- Identification of the need for downstream revision of formal (spatial) plans and regulations and identification of the responsible government institutions.

#### ***G.5 Prepare a capacity building program***

The capacity building program must ensure that all stakeholders are ready and capable to implement the Integrated Tourism Master Plan. The capacity building program should cover relevant government institutions, the private sector and the local communities and will consist of:

- A government institution capacity building program
- A private sector, SME and skills development program, with a focus on enhancing competency based certification aligned with private sector needs and improving firm capabilities related to service quality.
- A local community capacity building program

Preparation of the capacity building program will be done in close collaboration with relevant stakeholders and will at least include the following activities:

- Assessment of local government/sub-national government, central government (line ministries), private sector, and local community capacity to realize the integrated tourism master plan
- Identification of institutional capacity building needs for management of tourism development
- Identification of capacity-building needs for implementation of environmental and social mitigation and monitoring plans including safeguards.
- Identification of community capacity building needs for inclusive tourism development
- Identification of additional needs for private sector, SME and skills development
- Identification of formal, non-formal, and mature-learner needs

#### **H. Ensure active stakeholder engagement**

Pro-active outreach and public presentations are essential to engage the private sector, local communities, local governments, and related central government institutions. Building on the initial stakeholder mapping<sup>62</sup> and based on the Stakeholder Engagement Plan (as part of the Inception Report), through regular consultations with government institutions and other stakeholders, the Consultant should seek feedback and consensus on all intermediate and final deliverables.<sup>63</sup> The Consultant shall ensure that all comments and/or considerations raised during the formal approval and ratification process are reflected in the final draft of the Integrated Tourism Master Plan. Seeking stakeholder feedback and support should at least extent to:

- The purpose and vision of the Integrated Tourism Master Plan;
- Range of tourism opportunities suited to the destination;
- Diversity of land use development that should occur in the destination and where this development should occur;
- Potential environmental and social impacts and risks of the proposed land use/development plans/changes or physical development; this should be incorporated as consideration in developing alternative development/land use development scenario;
- The proposed alternative development scenarios as well as the final preferred development scenario;
- Roles and responsibilities of all relevant (semi-)government institutions in implementation of the integrated tourism master plan
- Roles and responsibilities of local communities, associations, village, sub-district, district and provincial governments in the implementation of the integrated tourism master plan, particularly in managing the tourist attractions.
- Existing and future employment opportunities in tourism, commercial enterprises, industry, agricultural production, etc.;
- Potential areas where the private sector, local governments and SOEs are interested to invest in tourism-related sector;
- Formal, non-formal and mature-learner education needs.
- The final draft of the Integrated Tourism Master Plan

#### **IV. DELIVERABLES AND TIMELINE**

<sup>62</sup> RIDA will share the mapping with the Consultant upon Contract Award.

<sup>63</sup> [ADD for Borobudur-Yogyakarta-Prambanan]: The Consultant will ensure that the consultation process for the preparation of Borobudur's Visitor Management Plan (Annex 4) will involve all relevant stakeholders including the newly established Badan Otorita, PT. TWC, Ministry of Education and Culture and *Kabupaten Magelang*.

Task	Deliverables	Timeline (months from signing contract)
	Inception Report, including stakeholder engagement plan	1
	Baseline Analysis Report (Task A, B, C, D)	4
	Growth projections and development scenarios (Task E)	5
	The overall development plan (Task F1)	9
	Detailed development plan for priority key areas (Task F2)	9
	Phased tourism development plan (Task G1)	11
	Phased integrated infrastructure and services development plan (Task G2)	11
	Program of urgent 2018 investments (Task G3)	December 2017
	Capacity building program (Task G4)	11
	Final Integrated Tourism Master Plan (Task G)	12

## V. KEY EXPERTS

Position	Minimum Qualifications
1. Team Leader (Urban Planner / Civil Engineer)	Relevant university level education (Master's degree) and at least 15 years' relevant international experience
2. Tourism development expert (Economist)	Relevant university level education (Master's degree) and at least 15 years' relevant international experience <u>[for Borobudur-Yogyakarta-Prambanan: including relevant international experience with visitor management plans]</u>
3. Urban / regional planner	Relevant university level education (Master's degree) and at least 10 years' relevant experience
4. Architect / Urban designer	Relevant university level education (Master's degree) and at least 10 years' relevant experience
5. Roads and transport expert (Roads Engineer)	Relevant university level education (Master's degree) and at least 10 years' relevant experience
6. WATSAN and SWM expert (Sanitary Engineer)	Relevant university level education (Master's degree) and at least 10 years' relevant experience

7. Environmental specialist	Relevant university level education (Master's degree) and at least 10 years' relevant international experience
8. Social development specialist	Relevant university level education (Master's degree) and at least 10 years' relevant experience
9. Cultural heritage expert	Relevant university level education (Master's degree) and at least 10 years' relevant international experience <u>[for Borobudur-Yogyakarta-Prambanan: at least 15 years' relevant international experience, including experience with visitor management plans]</u>
10. Institutional development / capacity building expert	Relevant university level education (Master's degree) and at least 10 years' relevant experience
11. Skills development/firm capabilities expert	Relevant university level education (Master's degree) and at least 10 years' relevant experience

In addition to the key experts above, to perform the tasks, the Consultant has to provide non-key staff such as an airport specialist, a port specialist, a railway specialist, and a public transport specialist as part of a pool of experts and other staff, i.e. administration, mapping, technician, and other logistic operational support related to the tasks.

## Annex 1. Tourism Destination Area and Key Tourism Areas

### [select relevant section for each ITMP TOR]: Lombok Tourism Destination Area

**Today, Lombok is a tourism destination that is typically part of a ‘destination tour’ or a ‘side trip’ from Bali.** To date, most of Lombok’s visitors visit the Gili Islands and nearby Senggigi. Lombok received 2 million visitors in 2015, of whom 52% were foreign visitors. 50% of these foreign visitors were from Europe and more than 18% from Australia. Being an island, Lombok’s external connectivity is defined by the quality and frequency of air and sea access. Most foreign visitors (68%) arrive over sea, primarily by speedboat from Bali to the Gili Islands. Domestic visitors also mostly arrive by sea (70%) but they typically use regular public ferry services. Air transport is used by around 30% of all visitors (foreign and domestic) to Lombok.

**The Gili Islands and Senggigi can absorb an increasing number of visitors, if managed well.** For the Gili Islands to maintain their attractiveness in the future, environmental sustainability needs to be improved by addressing key basic services deficiencies (such as water, sanitation and solid waste management). For Senggigi’s development, and its northward development to Tanjung, it will be particularly important to establish and enforce planning controls to maintain its ‘boutique’ character, which was created through 20 years of small-scale hotel development.

**In the future, Lombok can also become a ‘destination base’ or an ‘enclave’ for some foreign source markets.** Based on the Market Analysis and Demand Assessment, to realize Lombok’s full potential, a further phase of larger-scale hotel development (as is in the pipeline for the Mandalika Resort area) seems needed in the southern coast area, as this could incentivize the establishment of direct air routes to proximate source markets, especially Australia. The state-owned enterprise Indonesia Tourism Development Corporation (ITDC) is responsible for Mandalika’s development and has prepared a Detailed Master Plan for the area. To date, private investors have been reluctant to establish hotels in Mandalika, which has recently also been established as a special economic zone (SEZ) through the Government Regulation 52 of 2014. ITDC is now playing a ‘first-mover’ role by building new hotels and constructing on-site infrastructure, which can diversify Lombok’s tourism offer and attract new visitor markets to Mandalika (for an integrated resort experience) and along the greater southern coast (with high-end, low-density accommodation), if concerns related to the preservation of the natural environment (including cleanliness) are addressed.

**Sea transport is an important mode of arrival for all visitors to Lombok today but it is expected to shift.** In 2015, 68% of international and 70% of domestic visitors arrived by sea respectively. In the case of foreign visitors, 63% of those arriving by sea arrive by fast boat to the Gili Islands (Pamenang Port) and 37% arrive to Lembar, by ferry (32%) and cruise (5%). In the case of domestic visitors, 82% arrive via ferry to Lembar Port and 18% by fast boat to the Gili Islands. The current share of air travel arrivals is 31%, but this is likely to increase significantly in the future considering the convenience of travel by air in comparison to travel by sea and considering that Lombok is expected to also become a destination on its own. Total visitors arriving by air is estimated to increase to 43% in 2021 and 66% in 2041.

**With increased hotel supply, air connectivity is expected to improve.** For instance, direct flights from Australia to Lombok could be restored (building on Jetstar’s short-lived Perth-Lombok connection in 2014), and Australian visitors could visit Lombok as a base destination, rather than only as a side trip from Bali. Lombok, with resort development in the south, and related marketing, can also become a new destination for Chinese and other East Asian visitors. Middle Eastern visitor numbers to Lombok can grow from a low base, but there are limits to maintaining this fast growth due to the distance from, seasonality of, and alternative options for this source market. Thailand, with 660,000 visitors from the Middle East in 2015 (36% growth since 2009), is an example of a successful destination for this market.

**The implications of pursuing a high-growth tourism scenario for planning and investment needs are presented in Figure 1.** The Consultant will prepare an Integrated Tourism Master Plan consisting of: overall development plan for the *tourism destination area*,

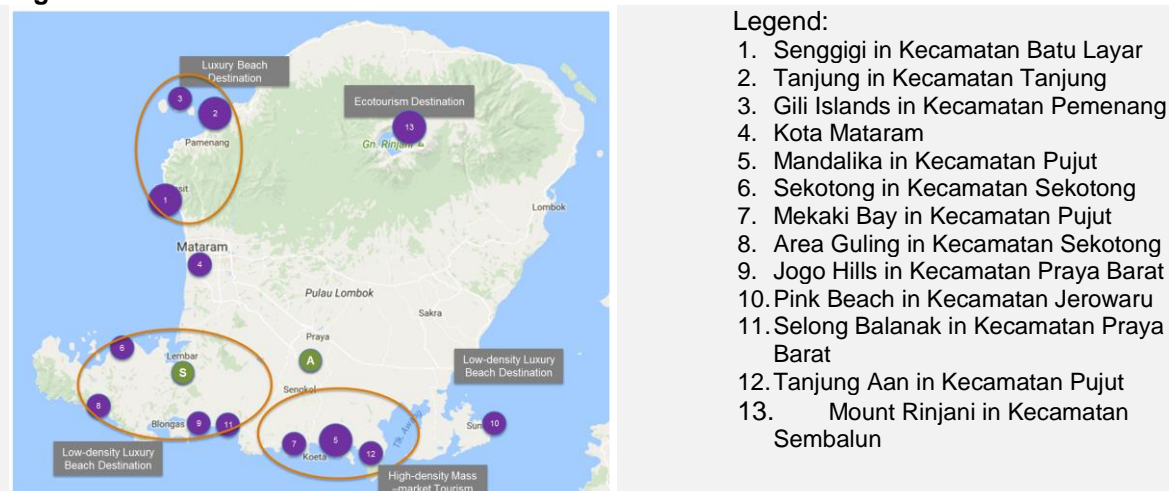


i.e. Lombok island (25 years) and detailed development plans (5 years) for priority *key tourism areas*, i.e.:

- a. Gili Islands-Senggigi area covering three Kecamatan: Batu Layar, Pemenang and Tanjung.
- b. Southern coast area covering four Kecamatan: Pujut, Praya Barat, Sekotong and Jerowaru.

As part of Task F of the Services, the Consultant will adjust or confirm the priority *key tourism areas*.

**Figure 1: Lombok destination definition:**



**Detailed implication for Integrated Tourism Master Plan Consultants' Services:**

Integrated Tourism Master Plan consisting of: (a) overall development plan *for Lombok island as a destination area* (25 years) and (b) detailed development plans (5 years) for *priority key tourism areas*:

- Gili Islands-Senggigi area including sites #1-3, and covering: Kecamatan Batu Layar in Kabupaten West Lombok; and Kecamatan Pemenang and Kecamatan Tanjung in Kabupaten North Lombok.
- Southern coast area including sites #5-12, and covering: Kecamatan Pujut and Kecamatan Praya Barat in Kabupaten Central Lombok; Kecamatan Sekotong in Kabupaten West Lombok; and Kecamatan Jerowaru in Kabupaten East Lombok.

As part of Task F of the Services, the Consultant will adjust or confirm the priority key tourism areas and will provide recommendations on how to integrate the Mandalika development site with the framework of future works and tourism development proposed in the Integrated Tourism Master Plan.

## Lake Toba Tourism Destination Area

**Today, Lake Toba is largely a destination for local tourism, with declining appeal.** The majority (>97%) of visitors to the Lake Toba tourism destination in 2015 are domestic visitors. Foreign visitors are mainly from Malaysia (50%) and Singapore (10%). Long-haul visitors (mainly from Northern Europe, especially the Netherlands and Germany) are mainly backpackers or ‘flash-packers’ (backpackers who spend more on accommodation) staying in Indonesia for longer periods of time (2 weeks or more). Most visitors to Lake Toba are residents from North Sumatera and arrive by car or bus from Medan (5 to 6 hours between Medan and Parapat). Parapat is the main gateway because of available accommodation and services and the ease of access to the other main attractions of Lake Toba, which are located on Samosir Island, accessible by ferry. The length of stay varies between 1 and 3 nights.

**Road is the most often used mode of transport for external access.** In 2015, 97% of domestic visitors arrived by land and the remaining by air, while 85% of foreign visitors arrived by air and the remaining by sea. Almost all international visitors to Lake Toba arrive at Kualanamu International Airport in Medan. In addition to domestic visitors travelling by road, all other visitors arriving by air and sea use roads to reach Parapat. Around 90% of visitors come to Parapat from Medan via the Medan-Tebing Tinggi–Pematang Siantar–Parapat corridor (170km). The mode of transport is expected to remain similar to the current trends. In 2021 and 2041 around 97% of domestic visitors are expected to arrive by land and the remaining by air. For international visitors, the airport will remain the principal gateway, 85% are estimated to arrive by air in 2021 and 2041. It is expected that the Kualanamu International Airport will remain as the main gateway and the majority of visitors will still travel to Parapat from Medan.

**With improvements in environmental sustainability, accessibility and activities, Lake Toba can become an attractive destination for a wider variety of domestic and some foreign visitors.** When the travel time is reduced from Medan to Parapat, it can open up Lake Toba for North Sumatran weekenders and day trippers. It can also unlock MICE (meetings, incentives, conferences, and events) visitors from Medan—an important opportunity to increase weekday occupancy (and overall hotel profitability and investment appeal). Lake Toba can also become part of several weekend options from Jakarta. Those visiting friends and relatives may visit more often, but perhaps for shorter periods. Proximity and enhanced attractions can draw short haul weekenders from Singapore and Malaysia. For the long-haul market, Lake Toba has limited growth potential due to its distance from other Indonesian destinations, which makes it difficult to integrate it into packaged tour offerings for foreigners, and because Europeans are expected to travel less far and take shorter holidays in the future.

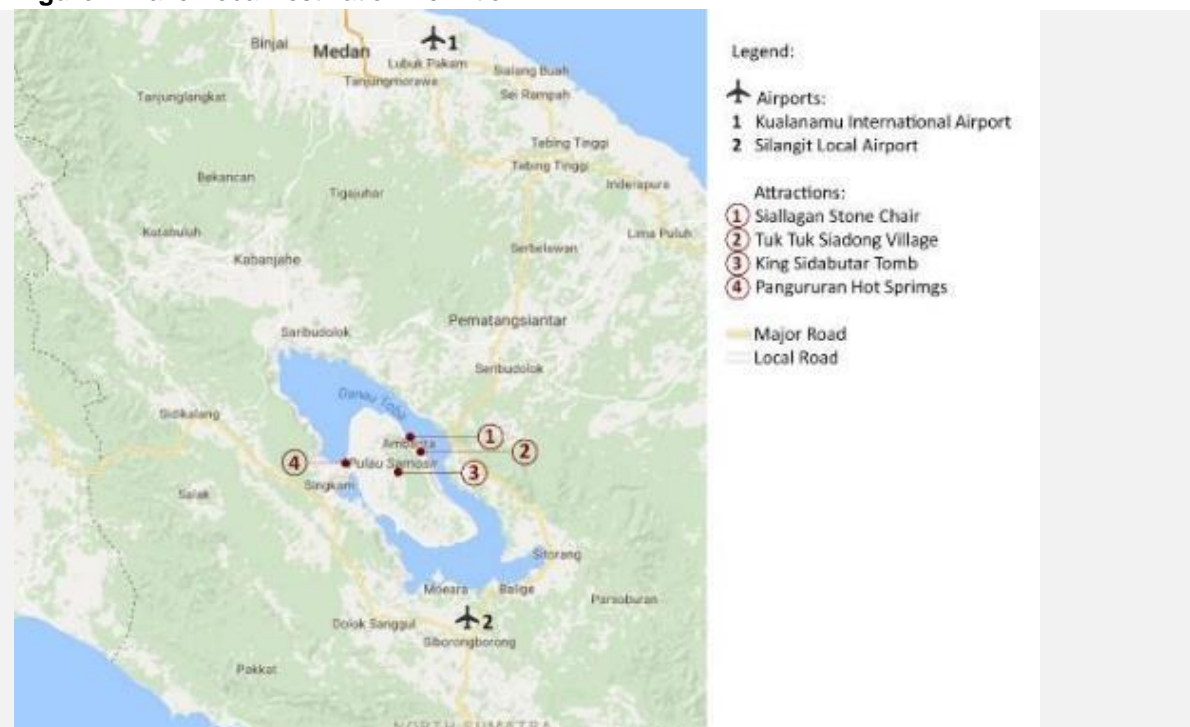
**Advisory on Water Quality Improvement.** Upon the request of the GOI, the World Bank has commissioned a water quality study for Lake Toba. The objective is to (a) identify the nature and extent of water quality impacts linked to pollution and distinguish point-sources (PS) and non-point sources (NPS); and (b) develop and recommend appropriate pollution control management and data monitoring and analysis options; and (c) discuss the options with relevant stakeholders for the improvement and preservation of the water quality in Lake Toba. The findings of the study will be made available to the Consultant in September 2017 (estimated delivery of final report), and the Consultant will incorporate these findings in preparing the Integrated Tourism Master Plan. The advisory study includes developing appropriate best practice to international standard pollution management options with the estimated budget for capital investment and maintenance cost. The Government will be able to make its own decision on the best option that is most suitable based on their needs and annual budget.

**The implications of pursuing a high-growth tourism scenario for planning and investment needs are presented in Figure 1.** To ensure improvements in environmental sustainability, the Consultant will prepare an Integrated Tourism Master Plan consisting of: overall development plan for the *tourism destination area*, i.e. as described in Presidential Regulation No. 81 No 2014 on “Spatial Plan of Lake Toba and Surrounding Areas”, and

detailed development plans (5 years) for priority *key tourism areas* covering four Kecamatan: Girsang Sipangan Bolon (Parapat), Simanindo, Pangururan and Balige.

As part of Task F of the Services, the Consultant will adjust or confirm the priority *key tourism areas*.

**Figure 1: Lake Toba Destination Definition**



Detailed implication for Integrated Tourism Master Plan Consultants' Services:

Integrated Tourism Master Plan consisting of:

- a) Overall development plan for Lake Toba as defined by the Presidential Regulation No. 81 No 2014 on "Spatial Plan of Lake Toba and Surrounding Areas" (25 years),<sup>64</sup> with special attention (i.e. baselines and targets for) to wastewater and solid waste concerns: Simanando, Pangururan, Nainggolan, Onan Runggu, Palipi, Ronggur Nihuta, Silahisabungan, Merek, Muara, Baktiraja, Lintongnihuta, Paranginan, Pematang Silimahuta, Silimakuta, Purba, Haranggaol Horison, Dolok Pardamean, Pematang Sidamanik, Girsang Sipangan Bolon, Ajibata, Lumban Julu, Uluan, Porsea, Siantar Narumonda, Sigumpar, Laguboti, Balige, Tampahan, Sianjur Mulamula, Harian and Sitotio.
- b) Detailed development plans (5 years) for priority key tourism areas:
  - Parapat in Kecamatan Girsang Sipangan Bolon in Kabupaten Simalungun and Kecamatan Simanindo and Kecamatan Pangururan in Kabupaten Samosir.
  - Kecamatan Balige in Kabupaten Toba Samosir.

<sup>64</sup> The Lake Toba destination defined as per the Presidential Regulation No. 81 No 2014 includes all the Kecamatan within the projected Outer Ring Road, except for *Kecamatan Kerajaan* and *Kecamatan Sumbul*, which are further away from the tourism destination and have not been identified as key tourism areas. To the extent that the Outer Ring Road is identified under task C.2 as critical to *external connectivity* of the tourism destination, the Consultant will provide tourism-specific recommendations with regard to all relevant segments of this Road.

### **Borobudur-Yogya-Prambanan Tourism Destination**

**In JOGLOSEMAR, Borobudur, Kota Yogyakarta, and Prambanan are the main drivers of tourism growth.** Other areas in Joglosemar, such as the city of Semarang, are unlikely to attract significant tourism. The vast majority (93%) of visitors to Borobudur Temple are domestic travelers who mostly arrive by car or bus. In 2015, 79% of domestic visitors arrived by land, 11% by air and the remaining by train. Most foreign visitors (65%) arrive by plane from Jakarta or Bali to Yogyakarta Adi Sucipto International Airport and are mainly from Europe (>80%). Hence, land transport is an important mode of transportation for domestic visitors while airports are the predominant gateways for foreign visitors. Yogyakarta is the destination base for domestic and foreign tourists, because it is a transport hub for road, air and rail, and the primary cluster of available accommodation (91% of hotel rooms are in DI Yogyakarta, 9% are in Kabupaten Magelang) and services, and because of its proximity to the main other attractions in the area such as Prambanan. Around 73% of visitors are estimated to come to Borobudur and Prambanan from Yogyakarta. Around 18% and 9% of the visitors come from Semarang and Solo respectively. Many domestic visitors and a significant proportion of foreign visitors to Yogyakarta do not visit Borobudur. Most visitors stay only a short period of time. The average length of stay in DI Yogyakarta and Kabupaten Magelang hotels is 1.8 nights for foreigners and 1.4 nights for domestic guests.

**Borobudur-Yogya-Prambanan is mostly expected to remain part of a destination tour for more foreign visitors (as ‘must-see’), but can also become a standalone destination for some proximity markets.** If the Borobudur experience is enhanced, it could attract larger numbers of Asian visitors, for whom Borobudur-Yogya-Prambanan could become a standalone destination. Through enhanced attractions (such as the cultural villages around Borobudur and tourism experience enhancement in Kota Yogyakarta and Prambanan), the average length of stay and daily expenditures could increase. It is expected that the mode of arrival and visitor distribution pattern will remain similar to the current context. Domestic visitors will continue relying on land transport for travelling; e.g., by 2041 it is forecast that around 73% of domestic visitors will arrive by land and 18% by air. As part of the Trans Java toll road, a planned Bawen-Magelang-Yogyakarta corridor is expected to benefit visitors, but it cannot be justified from a tourism point of view as it principally serves regional connectivity. Foreign visitors are forecasted to continue arriving by air and the new Kulon Progo Airport is expected to become the predominant gateway.

**Key to enhancing tourism attraction, especially foreign visitors, is the development of the Yogyakarta, Borobudur, and Prambanan as a coherent cultural destination.** It is envisaged to develop the destination as an internationally recognized symbol of Javanese traditional culture. The city of Yogyakarta is the main hub for tourism and transport infrastructure. Besides being a bustling town with a pleasant atmosphere and a famous shopping street (Malioboro), it is endowed with a rich living Javanese cultural heritage. The Kraton (palace) of Yogyakarta is a walled city within a city. It is not only the residence of the Sultan and his family, but it is also a living museum that centers on Javanese culture. At the Kraton, tourists can learn and see directly how Javanese culture continues to live and be preserved. The Palace houses a museum and there are regular performances of Javanese arts such as gamelan music, shadow puppet (wayang) shows, and traditional dances. The Water Castle (Taman Sari) is within the Kraton area and was built in the mid-18<sup>th</sup> century. It has four distinct areas: a large artificial lake with islands and pavilions located in the west, a bathing complex in the center, a complex of pavilions and pools in the south, and a smaller lake in the east. Today only the central bathing complex is well preserved. Within an hour driving from Yogyakarta, Borobudur and Prambanan are magnificent historical Javanese temple complexes dating back to the 8<sup>th</sup> to 9<sup>th</sup> and the 9<sup>th</sup> to 10<sup>th</sup> century respectively. They are both UNESCO World Heritage Sites and they are managed by PT. TWC.

- The Borobudur temple complex consists of three monuments, the main Borobudur temple and two smaller temples nearby (Mendut and Pawon temples). The main temple of Borobudur is the largest Buddhist temple in the world. Apart from its magnificent scale, Borobudur is famous for its beautiful stone reliefs and statues.



- The Prambanan temple complex is the largest Hindu temple of ancient Java. Eight main and eight minor temples form the main Prambanan temple complex, but the remains of more than 200 mostly ruined smaller temples surround the main temple complex. Nearby are the Plaosan temples, consisting of two restored main temples and more than 100 small mostly ruined shrines.
- Another site with tourism growth potential is the Ratu Boko site, found adjacent to the Prambanan complex. It is a partly ruined Hindu palace complex that covers 16 hectares. The history of Ratu Boko is unclear, and much of what is understood about the site comes from inscriptions and even folklore. A mix of Buddhist and Hindu structures are found on the complex. The oldest inscription found on the site is believed to date back to 792 AD.

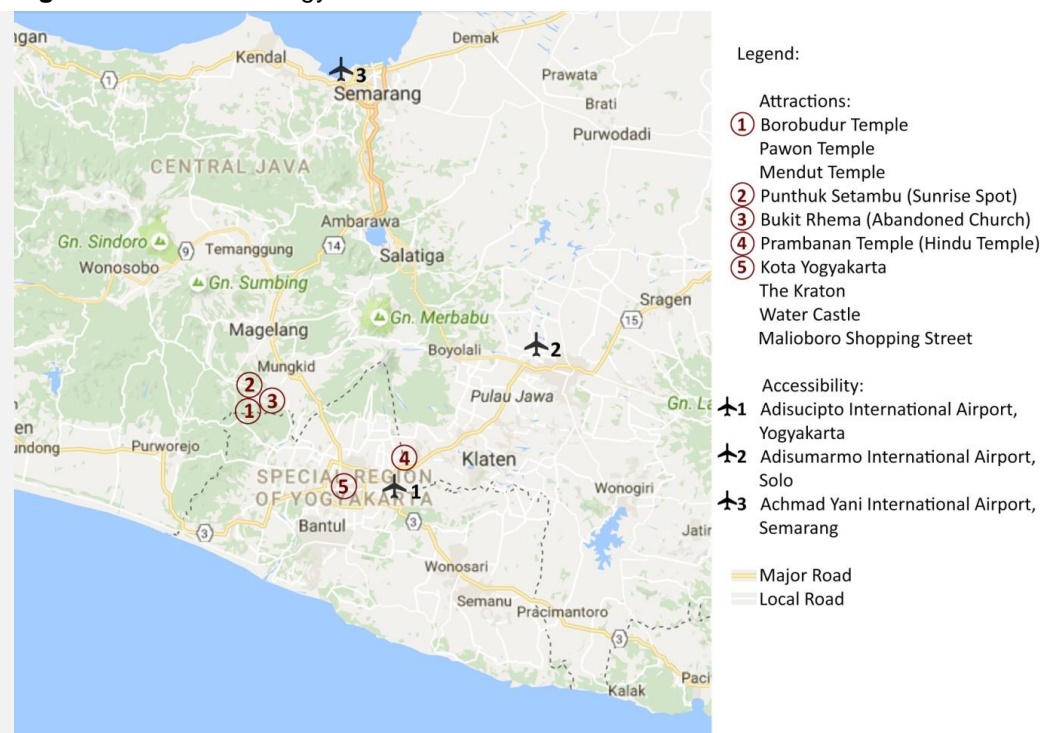
**The challenge for the Master Planning exercise is to plan and guide tourism development very carefully to ensure that historical, cultural and religious assets will be preserved and can be enjoyed as part of a living heritage.** Already, some adverse impact of overcrowding by tourist can be seen at Borobudur that suffers from increased visitor dissatisfaction and dampened visitor growth. Thus, one element of the Integrated Tourism Master Plan will be a Visitor Management Plan for Borobudur (refer to Annex 4). This will help to pacify growing discontent and stagnation, especially amongst foreign visitors, and to maintain the values for which the Borobudur Temple Compound was inscribed on the World Heritage List.

**The implications of pursuing a high-growth tourism scenario for planning and investment needs are presented in Figure 1.** Regional connectivity plans ensure sufficient connectivity between Borobudur, Yogyakarta and Prambanan, and the current and new airport. The Consultant will prepare an Integrated Tourism Master Plan consisting of:

- (a) An overall 25-year development plan for the destination area consisting of Borobudur Cluster covering Kecamatan Tempuran, Kecamatan Mertoyudan, Kecamatan Muntilan, Kecamatan Borobudur and Kecamatan Mungkid<sup>65</sup>; Prambanan-Boko Cluster covering Kecamatan Prambanan in Kabupaten Sleman and Kecamatan Prambanan in Kabupaten Klaten and Yogyakarta Cluster covering Kota Yogyakarta.
- (b) A detailed development plans (5 years) for priority *key tourism areas*:
  - i. The Borobudur Cluster covering two Kecamatan: Borobudur and Mungkid.
  - ii. The Prambanan-Boko Cluster covering Kecamatan Prambanan in Kabupaten Sleman and Kecamatan Prambanan in Kabupaten Klaten.
  - iii. The Yogyakarta Cluster including the Kraton, Taman Sari and Malioboro Street in the following Kecamatan: Kraton, Gedongtengen, Danurejan, Ngampilan, Kotagede and Gondomanan.
- (c) Preparation of Borobudur Visitor Management Plan

As part of Task F of the Services, the Consultant will adjust or confirm the priority *key tourism areas*.

<sup>65</sup> Presidential Regulation 58/2014 includes seven Kecamatan within the boundary of Borobudur's Spatial Master plan: Tempuran, Mertoyudan, Muntilan, Kalibawang, Samigaluh, Borobudur, and Mungkid. The ITMP has excluded Kecamatan Kalibawang and Samigaluh considering that the area included in the Spatial Plan is minimal and no major tourism opportunities have been identified in these Kecamatan.

**Figure 1: Borobudur-Yogyakarta-Prambanan Destination Definition**

Detailed implication for Integrated Tourism Master Plan Consultants' Services:

Integrated Tourism Master Plans consisting of:

- (d) An overall 25-year development plan for the destination area consisting of Borobudur Cluster covering Kecamatan Tempuran, Kecamatan Mertoyudan, Kecamatan Muntilan, Kecamatan Borobudur and Kecamatan Mungkid; Prambanan-Boko Cluster covering Kecamatan Prambanan in Kabupaten Sleman and Kecamatan Prambanan in Kabupaten Klaten and Yogyakarta Cluster covering Kota Yogyakarta.
- (e) A detailed development plans (5 years) for priority *key tourism areas*:
  - i. The Borobudur Cluster covering two Kecamatan: Borobudur and Mungkid.
  - ii. The Prambanan-Boko Cluster covering Kecamatan Prambanan in Kabupaten Sleman and Kecamatan Prambanan in Kabupaten Klaten.
  - iii. The Yogyakarta Cluster including the Kraton, Taman Sari and Malioboro Street covering the following kecamatan: Kraton, Gedongtengen, Danurejan, Ngampilan, Kotagede and Gondomanan.
- (f) Preparation of Borobudur Visitor Management Plan (Annex 4)



## **Annex 2: Indicative Outline Table of Contents**

### **PART I: GENERAL APPROACH**

#### **1. OBJECTIVES OF THE INTEGRATED TOURISM MASTER PLAN**

#### **2. STRATEGIC VISION**

*Tourism potential*

*Tourism carrying capacity and sustainable tourism*

*Local participation, job creation and poverty alleviation*

*Enabling business environment*

*Institutional arrangements*

### **PART II: MARKET ANALYSIS FOR AREA X/Y/Z** (based on the Market Analysis and Demand Assessment study results)

#### **1. TOURIST MARKET SUPPLY AND DEMAND ASSESSMENT**

*Supply assessment*

*Demand assessment*

*Investor analysis*

#### **2. MARKET STRATEGY**

*Future market demand analysis*

*Marketing and branding strategy*

### **PART III: DEVELOPMENT STRATEGY FOR AREA X/Y/Z**

#### **1. ANALYSIS OF EXISTING SITUATION**

*Boundary definition of the Integrated Tourism Development Master Plan Area X/Y/Z*

*Assessment of existing planning framework and review of current spatial plans*

*Review of the existing local institutional framework*

*Assessment of socio-economic situation and development trends (past 10 years)*

*Review of the overall economic activity in the area*

*Analysis of tourism related economic activity in area X/Y/Z (based on the Market Analysis and Demand Assessment study results), including:*

- Number of tourist, local and foreign, length of stay, expenditure pattern, etc.
- Overnight accommodation by type, capacity, and location
- Eateries by type, capacity, and location
- Cultural and natural tourist sites by type, location, and number of visitors
- Manmade tourist attractions by type, location, and number of visitors (theme park, tourist market, shopping center, etc.)
- Etc.

*Employment conditions in the local tourism industry (based on the Market Analysis and Demand Assessment study results), i.e.:*

- Gaps in demand and supply of tourism related employment
- Gaps (in quantity and quality) in skills requirements
- Position and potential of local SMEs

*Detailed description of the condition of natural and cultural assets (based on the Market Analysis and Demand Assessment study results and other previous studies), including:*

- Identification of natural and cultural assets within the Tourism Destination Area
- Assessment of the quality and uniqueness of natural and cultural assets
- Review of the current condition of natural and cultural assets

*Environmental health conditions (water and air quality, cleanliness, malaria occurrence and other health hazards, etc.)*

*Security concerns*

*Current land use (map)*

*Map showing the location and size of existing tourism areas:*

- areas where tourists stay overnight
- areas where tourists recreate: beach area, shopping center, (tourist-)markets, restaurants, bars, etc.
- areas near tourist attractions (cultural, natural, manmade)

*Inventory of current infrastructure and service provision, with a focus on the existing and new key tourism areas (based on the Market Analysis and Demand Assessment study results), i.e.:*

- External access: airports and airlift capacity, ports, national and provincial road network, railways, external (long distance) public transport system.
- Internal access: internal road network, internal and short distance public transport facilities, non-motorized transport facilities, pedestrian facilities, road safety, etc.
- Drainage and flood protection
- Water supply
- Sanitation and sewerage
- Solid waste management
- Electricity supply
- Street lighting
- Cleanliness and maintenance
- Traffic management and parking
- Pedestrian facilities
- Public amenities
- Broadband internet services

*Detailed identification of gaps in infrastructure provision and service delivery*

*Ongoing and planned public and private sector initiatives:*

- Public sector investment: what and when?
- Private sector initiatives: what and when?

*Impact of planned investments on resolving identified deficiencies and service gaps*

## 2. DEVELOPMENT SCENARIOS

*Growth projections for a period of 25 years and related medium-term growth projections for 5 years (based on the review of existing statistics, plans and documents):*

- Economic growth projection
- Industrial growth projection
- Visitor growth projection
- Employment growth projection
- Population growth projection, including temporary residents (tourists) and in-migration of job seekers

*Planning standards for tourism infrastructure and services (taking into account that visitors have a relatively high expectation of infrastructure and service standards).*

*Identification of additional land needs for future residential, industrial, commercial, and visitor requirements, including land requirements for housing of tourism employees and their dependents*

*Identification of community awareness and capacity building needs for inclusive tourism development*

*Identification of needs for skills development for tourism market supply (education, SME development)*

*Presentation of at least three different spatial development scenarios to accommodate the projected growth*

*Assessment of environmental and social impacts of each development scenario*

## 3. EVALUATION OF DEVELOPMENT SCENARIOS

*Identification of stakeholders and stakeholder representatives, at least from: Government institutions, private sector representatives, local residents and business community, local NGOs*

*Discussion of the findings, the proposed planning standards and the scenarios with all stakeholders*

*Selection of one scenario for further elaboration*

*Identification of stakeholders that will actively contribute the detailing of the preferred development scenario*

## 4. THE PREFERRED DEVELOPMENT SCENARIO

*Detail the preferred development scenario in close collaboration with identified stakeholders:*

- Present a land use map (2022 and 2042) including the detailed location, shape and size of existing and new key tourism areas.
- Identify and discuss land ownership issues related to the preferred development scenario
- Identify and mitigate environmental and social impacts related to the preferred development scenario
- Identify and discuss cultural and natural heritage preservation issues related to the preferred development scenario

- Evaluate phasing options and select priority locations for development with related detailed size and shape consistent with projected demand for all land uses and with special emphasis on tourism development in blocks of five years (2018-2022 / 2023-2027 / 2028-2032 / 2033-2037/2038-2042)
- Identify additional needs for infrastructure and services on top of existing deficiencies based on the preferred development scenario and infrastructure standards with planning horizon of 5 years and 25 years respectively
- Present an integrated phasing plan for timing of infrastructure and service provision in a gradual and cautious way to minimize risks and to guide development
- Identify additional needs for SME and skills development
- Identify roles and responsibilities of all stakeholders in implementation of the preferred scenario
- Assess private sector interest and commitment to the realization of the development scenario
- Assess community interest and commitment to the realization of the development scenario
- Identify the need for downstream revision of other formal (spatial) plans and regulations (for indicative list see Annex 3)

## 5. DEVELOPMENT PLANS FOR PRIORITY KEY TOURISM AREAS

*Present detailed development plans with 5 years and 25 years planning horizon for all the priority current key tourism areas within the Tourism Destination Area (existing clusters of hotel and tourist facilities and attractions) and for new key tourism areas that have been prioritized for tourism development in the first 5 years (2018-2022) of the Program, including maps, planning standards, building regulations and conceptual designs with cost estimates.*

## 6. INTEGRATED INFRASTRUCTURE AND SERVICES DEVELOPMENT PLAN

*Medium and long-term investment plan*

*Present consolidated results of the overall development scenario and the detailed development plans and present an integrated and phased infrastructure and services development plan and related cost estimates for all sectors at prefeasibility level for 5 and 25 years respectively, together with conceptual designs. The investment plan must support and guide tourism development and will include:*

- Area redevelopment
- External access: airports and airlift capacity, ports, toll roads, national and provincial road network, railways, external (long distance) public transport
- Internal access: internal road network, internal and short distance public transport facilities including water transport, non-motorized transport facilities, traffic management, pedestrian facilities, road safety, parking, etc.
- Drainage and flood protection
- Water supply
- Wastewater management and sanitation
- Solid waste management and cleanliness
- Electricity supply
- Street lighting
- Public amenities
- Broadband internet services
- Specialized tourist related infrastructure such as visitor centers, jetties, boardwalks, signage, etc.

*Short-term investment plan*

*Present urgent first year (2018) investment plan for improved connectivity and critical first year basic infrastructure investment.*

7. CAPACITY BUILDING

*Present a capacity building program in close collaboration with identified stakeholders, including institutional capacity building at all levels of government, safeguard monitoring and downstream spatial plan revisions, community capacity building, and SME and skills development.*

8. INTEGRATED TOURISM MASTER PLAN

*Present an integrated tourism master plan for all sectors at prefeasibility level, including conceptual designs for all infrastructure and services for 5 resp. 25 years, consisting of:*

- a land-use plan
- a phasing plan showing priority locations for development in blocks of five years (2018-2022 / 2023-2027 / 2028-2032 / 2033-2037/2038-2042)
- detailed development plans for priority key tourism areas
- a phased tourism facilities development plan for 5 resp. 25 years
- a phased integrated infrastructure and services development plan for 5 resp. 25 years
- a private sector, SME and skills development plan
- a local community capacity building plan for inclusive development
- An institutional development plan for management of tourism development
- If sufficient information on the land acquisition and/or resettlement is available for a particular land/infrastructure/facilities development as recommended by the ITMP, and if it has been decided that the ITMP recommendation will be implemented, then the Consultant will also prepare a land acquisition and resettlement action plan (LARAP) in accordance with the LARPF as specified in the ESMF.
- If sufficient information on the presence of and potential impacts on IPs is available for a particular land/infrastructure/facilities development as recommended by the ITMP, and if it has been decided that the ITMP recommendation will be implemented, then the Consultant will also prepare an Indigenous Peoples Plan (IPP) in accordance with the Indigenous Peoples Planning Framework (IPPF) as specified in the ESMF
- a natural assets preservation and environmental management plan
- a cultural heritage preservation management plan
- implementation arrangements
- detailed 5 years cost estimates and investment plan
- a financing plan including distinction of public and private sector contributions

9. ECONOMIC EVALUATION

10. ENVIRONMENTAL IMPACT EVALUATION AND MITIGATION PLAN

11. SOCIAL IMPACT EVALUATION AND MITIGATION PLAN

### Annex 3: Responsibility for review of plans after completion of the Integrated Tourism Master Plan

Once the Integrated Tourism Master Plan has been prepared, a number of spatial and sectoral plans have to be reviewed and improved or prepared as well, including:

1. Review of spatial plans:
  - a. RTRW Provinsi
  - b. RTRW (Rencana Tata Ruang Wilayah) Kawasan Strategis Pariwisata (across kota/kabupaten)
  - c. RTRW (Rencana Tata Ruang Wilayah) Kota/Kabupaten
  - d. RDTR (Rencana Detail Tata Ruang) Kawasan Strategis Pariwisata
2. Review of sectoral Master Plans:
  - a. Roads
  - b. Transport
  - c. Drainage and flood control
  - d. Water supply
  - e. Wastewater management
  - f. Solid waste management
  - g. Power supply
  - h. Plans of National Parks (*if applicable*)

A large number of government institutions will be involved in preparing/reviewing these plans. Most of the work will be done in close collaboration and consultation with relevant stakeholders. This preliminary note is meant to identify which government body at which level of government is formally responsible for preparation and/or review of these plans. It is an initial attempt to identify down-stream planning needs that the Consultant will build and improve on.

#### Ad 1. Spatial plans

Responsible for the preparation/review of the RTRW and the RDTR is the Bappeda of the Kota or Kabupaten of the area covered. If the planning area covers more than one local government, which is often the case for the RTRW for strategic areas, the Provincial Bappeda is responsible.

#### Ad 2. Sectoral master plans.

##### Roads

There are number of institutions in each level of governments responsible in road sector. Most of the responsibilities fall to Ministry of Public Works and Housing (MPWH). Detail of the responsibilities are as the following table.

Institutions	Responsibilities
DG Highway - Ministry of Public Works and Housing	<ul style="list-style-type: none"> <li>Develop national road master plan</li> <li>Develop and maintain national road network, including some toll roads</li> <li>Reconstruct and maintain provincial and district roads that have been classified as strategic roads</li> <li>Regulate road sector</li> </ul>
Toll Roads Authority – Ministry of Public Works and Housing	<ul style="list-style-type: none"> <li>Regulate toll roads</li> <li>select toll road operators</li> </ul>
Provincial Government	<ul style="list-style-type: none"> <li>Develop provincial road master plan</li> <li>Develop and maintain provincial road network</li> <li>Develop local roads</li> </ul>



Institutions	Responsibilities
Municipal/City Government	<ul style="list-style-type: none"> <li>• Develop municipal/city and local roads master plan</li> <li>• Develop and maintain municipal/city road network</li> <li>• Develop and maintain local roads</li> </ul>
Village Government	<ul style="list-style-type: none"> <li>• Village roads</li> </ul>

### *Transport*

Ministry of Transport (MOTr) responsible for development of transport infrastructures and service at national network (except road), and provincial and municipal/city governments responsible for provincial and municipals/city network. Detail of the responsibilities are as the following table.

Institutions	Responsibilities
DG Land Transport - MOTr	<ul style="list-style-type: none"> <li>• Develop road transport service master plan</li> <li>• Develop ferry and inland waterway master plan</li> <li>• Regulate road transport sector</li> <li>• Enact inter-province road based public transport route network</li> <li>• Issue inter-province road based public transport service license to operators</li> <li>• Develop inter-province road based public transport terminal</li> <li>• Approve technical design and operation of road based public transport terminal</li> <li>• Develop and maintain ferry and inland waterway ports</li> <li>• Develop ferry route network</li> <li>• Issue ferry service license to operators</li> </ul>
DG Air Transport - MOTr	<ul style="list-style-type: none"> <li>• Develop airport master plan</li> <li>• Develop air transport service master plan</li> <li>• Regulate air transport sector</li> <li>• Enact regular air transport route network</li> <li>• Issue regular air transport service license to operators</li> <li>• Develop airport</li> <li>• Approve technical design and operation of airport</li> </ul>
DG Sea Transport - MOTr	<ul style="list-style-type: none"> <li>• Develop port master plan</li> <li>• Develop shipping line master plan</li> <li>• Regulate sea transport sector</li> <li>• Enact shipping route network</li> <li>• Issue regular shipping service license to operators</li> <li>• Develop port</li> <li>• Approve technical design and operation of port</li> </ul>
DG Railway - MOTr	<ul style="list-style-type: none"> <li>• Develop railway master plan</li> <li>• Regulate railway sector</li> <li>• Develop and maintain inter-province railway network</li> <li>• Issue inter-province railway public transport service license to operators</li> <li>• Approve technical design and operation of railways line</li> </ul>

Institutions	Responsibilities
Provincial Government	<ul style="list-style-type: none"> <li>Similar to MOTr, but for provincial network. Provincial governments must ask for approval from MOTr on technical design and operation.</li> </ul>
Municipal/city Government	<ul style="list-style-type: none"> <li>Similar to MOTr, but for municipal/city network. Municipal/city governments must ask for approval from MOTr on technical design and operation.</li> </ul>

### *Drainage and flood control*

Ministry of Public Works and Housing (MPWH) responsible for development of drainage networks and flood control and provincial and municipal/city governments responsible for provincial and municipals/city networks. Detail of the responsibilities are as the following table.

Institutions	Responsibilities
MPWH - DG Water Resources	<ul style="list-style-type: none"> <li>Develop water resource management and water conservation master plan</li> <li>Regulate water resource management and water conservation</li> <li>Implement and facilitate regulation of water resource management</li> <li>Develop drainage primary network master plan</li> <li>Develop standardization for water resource management</li> <li>Develop and supervise technical guidance for water resource management</li> <li>Evaluate water resource management implementation</li> </ul>
MPWH - DG Human Settlement	<ul style="list-style-type: none"> <li>Develop regulation for drainage system at settlement location</li> <li>Implement and facilitate drainage system regulation</li> <li>Develop drainage system at settlement location</li> <li>Regulate standardization of drainage system at settlements</li> <li>Develop national settlements plan to support tourism areas</li> <li>Develop and supervise technical guidance for drainage development at settlements</li> <li>Facilitate of asset handover development and system development for drainage at settlements to Local Government</li> </ul>
Public Works Agency at Provincial Level	<ul style="list-style-type: none"> <li>Regulate operational of water resource management at provincial level and inter-city/ kabupaten</li> <li>Develop RPI2JM for drainage services infrastructure</li> <li>Supervise operational and technical of water resource and drainage</li> <li>Provide license of water use and water resource</li> <li>Evaluate and control water resource management</li> <li>Implement decentralization of authority for water resource sector at provincial level</li> <li>Develop regional drainage system</li> </ul>

Institutions	Responsibilities
	<ul style="list-style-type: none"> <li>• Technical supervision for construction</li> <li>• Conduct physical construction of drainage and water system</li> </ul>
Public Works Agency at Kota/Kabupaten level	<ul style="list-style-type: none"> <li>• Similar to Public Works Agency at provincial level, but for municipal/city network</li> <li>• Develop RPI2JM for drainage services infrastructure</li> <li>• Coordinate with other city government for inter-connection drainage system and water resource management</li> </ul>

### *Water supply*

Water supply is normally organized at the Kota or Kabupaten level. Responsible for sectoral master plan preparation and implementation is the local Kota/Kabupaten water supply company PDAM.

Institutions	Responsibilities
MPWH - DG Human Settlement	<ul style="list-style-type: none"> <li>• Regulate drinking water system management at urban, rural and specific area</li> <li>• Develop national water supply plan to support tourism areas</li> <li>• Implement and facilitate regulation of drinking water system</li> <li>• Regulate standardization for drinking water system</li> <li>• Institutional facilitation of drinking water sector</li> </ul>
MPWH – BPPSPAM	<ul style="list-style-type: none"> <li>• Regulate standardization for water supply especially for drinking water system</li> <li>• Supervise water supply system to provincial and local government</li> </ul>
Provincial – Public Works Agency	<ul style="list-style-type: none"> <li>• Develop drinking water master plan for provincial level (RISPAM)</li> <li>• Develop RPI2JM for water supply</li> <li>• Develop water supply services at regional level</li> <li>• Technical supervision for construction</li> <li>• Conduct physical construction of water supply</li> </ul>
City Government – PDAM at city level	<ul style="list-style-type: none"> <li>• Develop regulation and strategy of drinking water and waste water management</li> <li>• Develop drinking water master plan for city level (RISPAM), including maintenance and control</li> <li>• Develop RPI2JM for water supply</li> <li>• Develop Rencana Aksi Daerah Penyediaan Air Minum dan Kesehatan Lingkungan (RAD AMPL)</li> <li>• Provide HH water connections, construction and O&amp;M of city drinking water networks</li> </ul>

### *Waste water management and solid waste management*

Institutions	Responsibilities
DG Human Settlement	<ul style="list-style-type: none"> <li>Regulate waste water and solid waste system</li> <li>Develop national waste water and solid waste management plan to support tourism areas</li> <li>Implement waste water and solid waste system regulation including facilitate of land provision</li> <li>Supervise technical guidance for waste water and solid waste management system</li> <li>Develop standardization for waste water and solid waste management</li> </ul>
Public Works Agency at Provincial Level	<ul style="list-style-type: none"> <li>Develop solid waste and waste water management system at regional level</li> <li>Technical supervision for construction</li> <li>Develop physical construction of waste water and solid waste system</li> </ul>
City Government	<ul style="list-style-type: none"> <li>Develop sanitation master plan (Buku Putih Sanitasi/BPS, Memorandum Program Sanitasi (MPS) and Strategi Sanitasi Total Berbasis Masyarakat (STBM))</li> <li>Develop technical regulation for waste water and solid waste management system</li> <li>Provide waste water and solid waste management services</li> </ul>

Every local government should prepare a Strategi Sanitasi Kota/Kabupaten (SSK) covering both Waste water management and solid waste management. Responsible for preparation and implementation is the local Dinas PU.

### *Power supply*

Responsible for the Power Supply sectoral master plan preparation and implementation is the national Power Supply Company PLN, which is also the provider of electricity.

Institutions	Responsibilities
Ministry of Energy and Mineral Resources – DG Electricity	<ul style="list-style-type: none"> <li>Regulate electricity sector</li> <li>Implement and facilitate regulation of electricity sector</li> <li>Develop electricity master plan</li> <li>Regulate standardization of electricity sector</li> <li>Supervise technical guidance of electricity sector</li> <li>Evaluate water resource management implementation</li> </ul>
Energy and Mineral Resource Agency at Provincial Level	<ul style="list-style-type: none"> <li>Develop technical regulation for energy sector (including electricity) and mineral resource</li> <li>Implement and facilitate regulation of electricity sector</li> <li>Coordinate and supervise to technical implementation unit at regional and city/ kabupaten level</li> </ul>
Power Supply Company at regional level	<ul style="list-style-type: none"> <li>Develop master plan of electricity supply at regional level</li> <li>Provide electricity supply system</li> </ul>

*Potential for improved efficiency*

Note that the responsibility for many sectoral master plans is delegated to local government (Kabupaten/Kota) as a result of the drive to decentralization. This may however result in less efficient provision of infrastructure. For example, the combined use of a raw water source or a solid waste disposal site by more than one local government might be much more efficient than each local government having its own facility. Therefore, the Integrated Tourism Master Plan should identify opportunities for combined use of resources and facilities between localities. In such cases the Province could take the lead in preparing sectoral master plans in close cooperation with the local governments involved. A good example of such cooperation already exists in Central Java Province, where *Kota* Yogyakarta and *Kabupatens* Sleman, Bantul, and Wonogiri are working closely together under the guidance of the Central Java Province to make integrated master plans for solid waste management, drainage and sanitation. The same could be done for roads and road transport where the Province could become leading in preparing a sectoral master plan covering all layers of government.

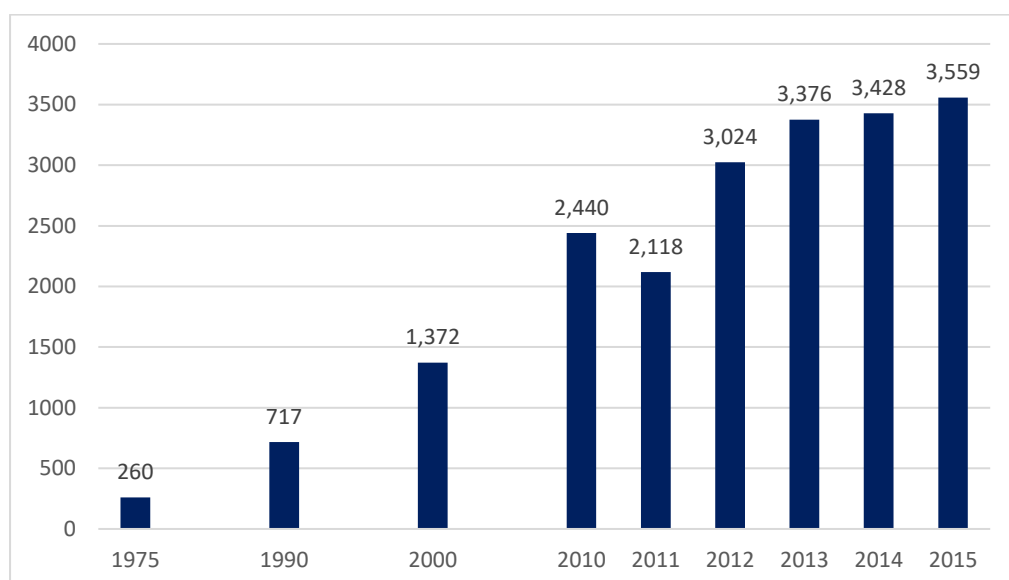
**[Add this Annex to BOROBUDUR-YOGYAKARTA-PRAMBANAN TOR only] Annex 4: Borobudur Visitor Management Plan**

***Borobudur visitor attraction***

The Borobudur temple complex, a UNESCO World Heritage Site, is located approximately 40 km to the northwest of Yogyakarta's city center. It consists of three monuments, the main Borobudur temple and two smaller nearby temples (Mendut and Pawon temples). The main temple of Borobudur is the largest Buddhist temple in the world. Apart from its magnificent scale and setting, Borobudur is famous for its beautiful stone reliefs and statues.

In 2015, visitor numbers reached almost 3.6 million, which makes Borobudur the most visited paid-entry cultural site in Indonesia. The temple has been open to visitors for several decades. In 1974, as restoration works started, it recorded only 260,000 visitors, of whom 36,000 were foreigners. Since then, visitor numbers have experienced significant growth with an annual average rate of 8.8%. During the last 5 years, the numbers of visitors has increased by 1.1 million, which represents an annual average growth by 7.8%.

**Figure: Number of Visits to Borobudur Temple 1975 – 2015 (thousands of visits)**



Source: TWC

Admission prices for Indonesian residents are IDR 30,000 (~USD 2.3) for adults and IDR 15,000 (~USD 1.15) for students. The admission price for foreigners is USD 20 for adults and USD 10 for students. Borobudur temple is mostly visited by domestic visitors:

- Students and schoolchildren (1.2 million, 33%)
- Domestic adult visitors (2.1 million, 60%).
- Foreign visitors (256,000, 7%)

The top 5 nationalities for foreign visitors (2014 figures) are the Netherlands, Japan, Malaysia, France and Germany. Malaysia, Singapore, China and Australia are under-represented vis-à-vis their total visitor numbers to Indonesia.

Peak visitor periods occur during European summer holidays, Lebaran and Vesak day (the latter sees 40,000 to 60,000 worshippers, mostly from Indonesia). Foreign arrivals to Borobudur increased steadily from 2011 to 2014 before dropping slightly in 2015. Domestic arrivals show strong increase over the longer term although in recent years' growth appears to have slowed. As Borobudur is a well-known heritage destination in Indonesia, domestic tourists come from cities all across Indonesia (with a larger percentage from Java).



There has been some fluctuation in visitor numbers over the years reflecting natural disasters such as the eruption of Mount Merapi in late 2010 which resulted in the temporary closure of regional airports and causing damage to Borobudur because of volcanic ash.

**Figure: Growth in arrivals to Borobudur, 2010-2015**

Year	Foreign arrivals	Growth rate of foreign arrivals	Domestic arrivals	Growth rate of domestic arrivals	Total arrivals	Growth rate of total arrivals
2010	156,247	-	2,283,532	-	2,439,779	-
2011	168,028	8%	1,949,817	-15%	2,117,845	-13%
2012	193,982	15%	2,830,230	45%	3,024,212	43%
2013	227,337	17%	3,148,368	11%	3,375,705	12%
2014	268,664	18%	3,159,744	0%	3,428,408	2%
2015	256,362	-5%	3,302,328	5%	3,558,690	4%

Source: Annual reports of PT. Taman Wisata Candi Borobudur, Prambanan and Ratu Boko

### ***Borobudur heritage area management zoning and regulation***

The Indonesian government established five management zones for Borobudur with the support of UNESCO and Japan International Cooperation Agency (JICA). The overall management area covers over 15,000 square meters.

Zone I covers the area with a radius of 100 to 300 meters from the main temple, and consists of the three temples. Within this area the Ministry of Education and Culture is obligated to protect and maintain the physical state of the temples.

Zone II, with a radius of up to 2.5 kilometers, is the area where tourism, research, and conservation activities are carried out. This area is managed by a state-owned institute PT. Taman Wisata Candi Borobudur, Prambanan, and Ratu Boko (PT.TWC).

Zones III-V cover the area beyond 2.5 kilometers from the temple, where any planning, usage or development is monitored and managed by the local government of *Kabupaten Magelang*.

### ***Institutional framework and key stakeholders***

Several stakeholders participate in the preservation, management and development of Borobudur.

*UNESCO* – coordinated and funded the restoration of Borobudur (it provided a total amount of USD 7 million between 1972 and 1983); offers financial and technical support in case of damage; and supports sustainable tourism development both in motivating and supporting the local community in the Borobudur area, and in supporting the preservation of the monument.

*The Coordinating Ministry of Maritime Affairs and the Ministry of Tourism*, in July 2017, launched the operation of the Borobudur Tourism Authority Board (BOP). The establishment of Borobudur BOP is based on the Presidential Regulation No. 46 of 2017 that was signed by President Joko Widodo on April 11. It is expected that the BOP will coordinate Borobudur's

tourism planning and the development of the temple into a national and international cultural destination. Its establishment may affect the roles of the three parties listed below.

*The Ministry of Education and Culture, through the Borobudur Conservation Office*, is charged with conservation and preservation management of the Borobudur Temple (Zone I). It works with the Gadjah Mada University of Yogyakarta and various local counterparts in implementing these programs.

*PT. Taman Wisata Candi Borobudur, Prambanan and Ratu Boko* – a state-owned enterprise which manages tourist activities in Zone II; markets and promotes Borobudur in both local and international markets; and ensures the local community is benefitting from the tourism development of Borobudur.

*Kabupaten Magelang* – manages and enforces spatial planning, land use and development control in the greater Borobudur area (Zone III – V).

Surrounding villagers are of course key stakeholders as well, and should be engaged in the development, operations, and management of the destination. Kecamatan Borobudur consists of 20 villages all of which are part of the Government's tourism initiatives that promote local assets in order to attract tourists.

### **Legal framework, spatial and management plans**

In 1979, the JICA Borobudur Master plan was prepared as a comprehensive plan that included conservation strategies, environmental management, landscaping, infrastructure redevelopment, village improvement, a land use plan, entrances and additional facilities, budget, and administrative structure. This plan was not institutionalized by GOI (except for the partial zoning adopted by Presidential Decree 1/1992). Since then, a large number of spatial plans and management plans for Borobudur have been prepared, as summarized in the following table:

	<b>Spatial Plans</b>	<b>Management Plans</b>
International	1979 – JICA Master plan	
	1991- Listed as World Heritage Site by UNESCO	
National	Law 26/2007 – Spatial Management	Presidential Decree 1/1992 – Management Plan of Borobudur and Prambanan.
	Government Regulation 26/2008 – National Spatial Plan	Several studies have been conducted for the Borobudur Site: <ul style="list-style-type: none"> <li>- Studies on Supporting Tourism Facilities Evaluation in Borobudur Temple Compound (2005);</li> <li>- Study on Surrounding Community Perception of State of Conservation and Utilization of Borobudur Temple (2009);</li> <li>- Study on Physical Carrying Capacity of Borobudur Temple (2009);</li> <li>- Study on Visitor Behaviours in Zone I of Borobudur Temple (2010);</li> <li>- Study on Distribution Pattern and Visitor Flow (2010);</li> </ul>

		<ul style="list-style-type: none"> <li>- Study on Visitor Management of Borobudur Temple I (2012);</li> <li>- Standard Operational Procedures (SOPs) for the Conservation of Borobudur Temple and Surroundings (2013);</li> <li>- Study on the Perceptions of Visitors to the Visitation Comfort of Borobudur Temple (2013);</li> <li>- Study on Visitor Management of Borobudur Temple I (2014), and</li> <li>- Monitoring and Evaluation Report of Borobudur Temple, Mendut Temple and Pawon Temple (2016).</li> </ul>
	Presidential Decree 58/2014 – Spatial Plan of Borobudur and Surrounding Areas	
	Presidential Regulation 46/2017 – Establishment of the Borobudur Tourism Authority Board	
Provincial	Provincial Regulation 6/2010 – RTRW Central Java 2009-2029	
Kabupaten	Kabupaten Decree 5/2011 – RTRW Kabupaten Magelang 2010 – 2030	

The most recent plan is the Spatial Plan of Borobudur and Surrounding Areas (Presidential Decree No. 58 Year 2014). Article 42 par. 2 indicates that the Management Plan for the Borobudur Area should be implemented by the responsible Ministry in the field of culture.

The Spatial Plan of Borobudur and Surrounding Areas is a local level plan and an operational and coordination tool with respect to the larger RTRW (*Rencana Tata Ruang Wilayah*, or Regional Spatial Plan), to ensure the preservation of Borobudur area as national and world heritage site.

The plan indicates the heritage area and provides direction for this area on land use intensity, maximum percentage of building footprint, minimum area of green open space, maximum building height, building character, and minimum required infrastructure. Besides this, the plan identifies the broad zoning, states the development intentions, and contains regulations relating to the permitted activities.

### **Constraints and concerns**

Notwithstanding its World Heritage Site status and significant marketing efforts and resources (e.g. TWC invested IDR 8.2 billion in 2014 on marketing and research of Borobudur, Prambanan and Ratu Boko), Borobudur is not receiving the same recognition as other attractions with similar international stature. Foreign visitors only account for 6 to 8% of total arrivals according to TWC entrance figures and they are mainly European.

The various management parties of Borobudur (the Borobudur Conservation Office, TWC, and Kabupaten Magelang) lack a common vision and clear mechanism to coordinate the conservation and promotion of Borobudur. Each party has its own mandates and objectives

and is responsible for different sections of the site. TWC is more business orientated, while the local government's main interest is the contribution of tourism to regional and local income and employment. Thus, it is understandable that these organizations want more visitors to raise revenue and to contribute to the local economy. On the other hand, as a conservation agency, the Borobudur Conservation Office is more concerned about the adverse impact that visitors may have on the temple.

The Borobudur Temple, although an impressive and massive monument, is rather small at around 15,000 square meters compared to the much larger scale world wonders such as the Great Wall of China or Angkor Wat in Cambodia. Rising visitor numbers have caused an overloading problem, especially during peak season. This is both damaging to the temple and detrimental to the visitor experience. Overcrowding also threatens the image of the site among international markets, especially Europeans, as is evidenced by increasing recommendations on user-generated content websites to avoid the site as an “overcrowded tourist trap”.

There are currently no systems in place to regulate or limit the number of visitors or to introduce mandatory guided tours to regulate tourist activities. Despite warning signs on all levels not to touch anything, the regular transmission of warnings over loudspeakers and the presence of guards, vandalism on reliefs and statues is a common occurrence. Some of the damage caused by vandalism by tourists is already irreversible.

UNESCO does not provide figures regarding the daily carrying capacity or the number of visitors per year, however Borobudur Conservation Office hosted a physical carrying capacity assessment for Borobudur in 2009 and there has been no updated assessment since. While UNESCO considers the potential for “a small degree of damage caused by unsupervised visitors”, the potential damage caused by the risk of another volcanic eruption of Merapi or other volcano is greater than the issue of carrying capacity. Borobudur Temple is situated on a hill plateau surrounded by several volcanoes and hill formations, namely two pairs of twin volcanoes – Mount Sindoro/Sumbing in the northwest and Mount Merbabu/Merapi in the northeast – as well as the Menoreh hills in the south, and Mount Tidar on the north side. In 2010, volcanic ash from the eruption of Mount Merapi, with acidity levels of pH 3-4, covered the temple and stuck to the stone. The Borobudur Conservation Office staff took 40 days to conduct an emergency site clean-up; however, the temple's entire post-eruption cleaning operation took one year.

In addition to threats due to natural disasters such as volcanic eruptions and earthquakes, natural deterioration from climatic influences also endangers the precious stone reliefs and overall structures of Borobudur Temple. The Ministry of Education and Culture, through the Borobudur Conservation Office, plays a crucial role in ensuring the safeguarding of Borobudur Temple for both present and future generations by conducting continuous conservation activities. UNESCO Jakarta has also been providing conservation and preservation support to the Borobudur Conservation Office since 2011 through the implementation of a number of significant conservation techniques, research findings, and the facilitation of collaborative work with the German conservation experts within the framework of the UNESCO/German Funds-in Trust Project.

The Borobudur Conservation Office has indicated (endorsed by both TWC and Kabupaten Magelang) that the optimal carrying capacity of the Temple itself is under 200 visitors simultaneously, which corresponds to a daily carrying capacity of around 3,000 visitors (1 hour per visitor and 15 hour operational days). Currently, this capacity is grossly exceeded, with an annual average daily number of visitors at 9,750 with a peak of 20,200 in the month of December. It seems therefore more than likely that measures of limitation or regulation of attendance are necessary.

Another concern is poor management of hawkers in the Borobudur compound which causes much frustration for tourists, leaving a negative image of the destination. There are 2 components to the hawker problem. The first is the chaotic vendor stalls that visitors must walk through before exiting the Borobudur compound which is incompatible with visitors'

expectations of a world class heritage site. Many vendors travel from around Java to set up stalls, not benefitting the local communities. The second involves local villagers who received lifetime free access to the Temple when they were displaced from their homes to make way for the establishment of the Compound. Today, they enter the Temple and sell unrelated items such as water and snacks close to the temple itself. Both problems are exacerbated during peak periods and disturb and frustrate tourists. While TWC has been trying to control the hawkers for over a decade, it has limited power to police and regulate the local community.

### ***Pipeline projects around Borobudur***

TWC is planning with the Magelang local government to relocate the current vendors to a new market (around 6 hectares) with car park outside Borobudur. The existing market place may be turned into a botanical garden.

There is also a plan to add one more entrance and a ticket office. This is understood to be still in the planning stage.

TWC is trying to develop a smart ticketing system to better manage the number and flow of tourists. It is understood that this is already budgeted by TWC.

TWC has an ongoing campaign to develop the surrounding villages into tourism villages where guests can stay with themes based on the specialty of each. The program offers assistance in infrastructure and training and has been rolled out in the first few pioneer villages. The program is targeting all 20 villages within Kecamatan Borobudur. TWC is under the supervision of the Ministry of State Owned Enterprise and is currently working with 19 state-own-enterprises providing community empowerment support by building *Balai Ekonomi Desa* (Balkondes), a community centre that promotes local potentials and could be used by the local community to showcase their products and provide activities such as handicrafts workshops, ceramic-making, traditional performances, small-scale village tours as well as training for the management of local guesthouses and local cuisine factories.

UNESCO has been implementing community empowerment programs in Borobudur and Prambanan since 2013. Under the support of AUSAID, in 2014, UNESCO and the Government of Indonesia launched a community run gallery (namely *Galeri Komunitas*) in Karanganyar village, within Kecamatan Borobudur. Galeri Komunitas has been supporting local crafts and promoting small businesses in the vicinity of Borobudur. UNESCO has been facilitating community empowerment support and business development assistance to the local communities working in the creative industries and with cultural products in 8 villages surrounding Borobudur and Prambanan. UNESCO is working closely with local counterparts and the private sector through their Corporate Social Responsibility Programs in facilitating sustainable community empowerment interventions and public awareness campaigns on heritage preservation in Borobudur and Prambanan.

During this year, under the support of Citi Foundation, UNESCO Jakarta is currently implementing the project “Youth Economy Empowerment in Indonesia’s Heritage Sites, through Capacity Building and Sustainable Tourism” in 6 targeted Kabupaten (Sleman, Klaten, Magelang, Yogyakarta, Samosir and Toba Samosir). This project aims to assist the Indonesian government to improve the livelihoods of communities, particularly the youth (18-25 years old) by building capacities in the production of cultural products and by promoting sustainable tourism in and around UNESCO World Heritage sites and other key priority tourist destinations designated as priorities by the President of Indonesia Joko Widodo in early 2016. The project is targeting 450 youths and will aim to give them business development assistance through cultural mapping, capacity building, organization of a competition, and promotional activities. Under this project, UNESCO Jakarta has targeted 150 youths in Borobudur and Prambanan areas.

In the area of conservation and under the support of the German Government, in 2017, UNESCO Jakarta has provided technical assistance in the area of temple conservation by



implementing the project “Capacity-Building for the Conservation of the Borobudur Temple Compounds Within a Disaster Risk Reduction Framework”. Within this project, UNESCO Jakarta supports the Borobudur Conservation Office team by conducting capacity-building efforts through implementing disaster mitigation measurements within their conservation activities.

Within the Zone 1, under the framework of UNESCO/Indonesia Fund-In-Trust project “Promoting Intercultural Dialogue through Capacity Building Training for Museum Development at UNESCO World Heritage Sites in Indonesia and Afghanistan” UNESCO Jakarta is working closely with the Borobudur Conservation Office and TWC in revamping of Museum Karmawibhanga in Borobudur, Magelang. By mid-September 2017, the newly revamped museum will be opened and it is expected to raise public awareness about the philosophy and stories about Borobudur temple reliefs and its valuable preserved objects.

### ***Requirements of the Borobudur Visitor Management Plan***

Borobudur cannot maintain, let alone increase its attractiveness without significant efforts aimed at improving and enriching the visitor experience. To avoid growing discontent and stagnation, especially amongst foreign visitors, a revision of the Borobudur experience is needed through the preparation of a Borobudur Temple Compound Visitor Management Plan.

Until now, the natural positioning of Borobudur temple as a unique cultural and religious site in Indonesia and Asia has not been sufficient to make the area a significant international (or even domestic) leisure tourist destination. Redefinition of the visitor experience should benefit the preservation of the site while contributing to increased revenues. To increase both the number of visitors and average expenditure per visitor, the Borobudur Temple Compound must become and be promoted as a world class heritage site offering an exceptional, almost life-changing, visitor experience. Visiting the Borobudur Temple Compound should be a peaceful and spiritual experience as part of a cultural journey to the heartland of ancient living Javanese culture in the Borobudur-Yogyakarta-Prambanan triangle. It should be:

- a temple compound at the center of a wider cultural landscape, highlighting historical and current features of Javanese culture;
- a place where visitors will be immersed and “initiated” into Buddhist culture; and
- represent one of the highlights of this “initiation”, by being exemplary in terms of quality of visitor experience (information, understanding of the site, scenography and services) and heritage conservation.

The Borobudur Visitor Management Plan should seek to guarantee the preservation of the site for present and future generations, whilst improving visiting conditions and maximizing the local economic impact. The Plan should result in improved visitor experience at the Borobudur Compound, with better information, better visitor flow regulations and better control over hawkers. It should also build on and learn from previous experience where a wide array of planning efforts has delivered inadequate results. The Plan should address all constraints and concerns and provide clear directives for temple compound management, visitor flow and crowd management, regulated and restricted temple access, admission tariff setting, efficient use of internal compound attractions and improved visitor information.

The Borobudur Visitor Management Plan will focus on the immediate visitor area of the temple compound and the surrounding areas to the extent that they are affected by the pattern of visitor traffic such as visitor approaches, assembly and entrance areas. In addition, the Plan should also address spatial planning issues beyond the immediate visitor area such access and vehicle management as well as land use management of the surrounding areas. Based on review of existing plans and discussions with relevant government institutions, the Plan should provide directions to ensure that the integrity of the Borobudur Temple Complex (including Mendut and Pawon temples) will not be impaired by developments in the surrounding areas. These directions should then inform the spatial planning components of



the wider Integrated Tourism Master Plan as well as specific local plans. They should include, but not be limited to, preparing planning guidelines and restrictive measures in terms of zoning, land use, pedestrian and vehicle movement, building heights and densities, floor-space ratios, green open spaces, open vistas, architectural styles, landscaping, noise and air pollution, etc. Spatial planning guidelines and measures should be ambitious but realistic, based on firm commitments from all stakeholders, especially relevant government institutions, to enforce regulations once agreed.

Considering current institutional issues concerning the management of the temple compound and its surroundings, it is of the utmost importance to prepare the Borobudur Visitor Management Plan in close collaboration with all relevant government institutions and other stakeholders with a view to reach consensus and commitment on a common vision to ensure effective implementation and coordination of planned interventions. This may explicitly include proposals for revision of roles and responsibilities of relevant government institutions if this is deemed necessary for improved management of the Borobudur Temple Compound and its surrounding area. The results must be incorporated in the institutional development program and the capacity building program to be prepared as part of the overall scope of work for the Integrated Tourism Master Plan.

The Borobudur Visitor Management Plan will have a 25-year planning horizon, consistent with the overall Integrated Tourism Master Plan for the entire tourism destination area, and will propose medium and long-term interventions and investments together with related cost estimates at prefeasibility level for 5 respectively 25 years. All proposed interventions and investments must be consolidated in the overall Integrated Tourism Master Plan.

### **Scope of Work**

The scope of work is to prepare a Visitor Management Plan for the Borobudur Temple Compound. In order to conduct the work, the Consultant will follow the principles and criteria set out in the Operational Guidelines for the Implementation of the World Heritage Convention as well as the guidance of the UNESCO Practical Manual for World Heritage Site Managers. The Consultant will also review the existing Conservation Plan and Carrying Capacity studies that have been conducted for Borobudur and reflect their findings in the present assessment.

This assignment should also build upon the findings of the Borobudur-Prambanan-Yogyakarta Market Analysis and Demand Assessments. The assessments present relevant information on the baseline supply and scale and type of demand that will drive the development of selected tourism destinations and assess the investment needs (soft and hard) and identify its gaps. These assessments provide the evidence base for the development of the integrated tourism destination and will help inform the Government-led destination master planning process.

The Consultant will conduct the following three tasks. The Consultant will make its own assessment, identify additional activities and requirements and prepare its work plan in the Technical Proposal accordingly.

### ***Task 1. Review and reflect on Borobudur's World Heritage Values***

- A.** Review the site's inscription dossier to help formulate future policy and management objectives.
  - Analyze how the site's listing criteria should be reflected in its overall tourism policy and management objectives;
  - Develop an outline that can be used for later policy development under Task 2.
- B.** List ways in which the site's World Heritage values could be reflected and incorporated into interpretation programs.
  - Review the criteria for which the site was selected for inscription on the World Heritage List, as well as the site's established policy and management objectives;
  - Select the species, monuments, art, etc., which are strongly identified with the site's World Heritage values;

- Describe how these attractions can be best represented in interpretation materials.
- C. List ways to monitor tourist attractions representing World Heritage values.
  - Review the section of the World Heritage Convention application form entitled “Format for Periodic Reporting” as well as the original nomination dossier;
  - Determine which elements of the site best represent World Heritage values and attract tourists, and state changes that may be appropriate in the request for periodic monitoring reporting data.

***Task. 2. Set policy goals, management objectives and prepare infrastructure plan***

- A. Analyze existing policy and management objectives
  - Review laws and policies including those at the national level related to visitor management;
  - Review laws, regulations and policies related to Borobudur’s spatial planning framework, including those at the national, provincial and local level. The Consultant should build upon the findings of the Borobudur-Prambanan-Yogyakarta Market Analysis and Demand Assessment;
  - Review the current site management plan or management strategies and analyze previous visitor management objectives;
  - Review previous visitor management plans and policies, including an outline of who has done what and the strengths and weaknesses of these efforts;
  - Identify gaps, i.e., what policies and objectives should be strengthened, and highlight future visitor needs making preliminary suggestions on actions to meet these needs.
- B. Gather data relating to visitor numbers, behavior and perceptions
  - Determine whether visitors to a site are local residents, foreign tourists, or other groups such as school students, day visitors, etc.;
  - Identify the characteristics of different visitor groups, examine visitor behavior, patterns of flows, and determine how different groups use the site including access and egress.
  - Collect existing visitation statistics on use, trends, travel patterns, activities and expenditures at the site;
  - Develop and implement a visitor survey asking tourists about their behavior, activities, expenditures, satisfaction, perceptions, and preferences and have them compare the site with comparable attractions within their experience; identify visitor problems or areas of specific concern; and map these out;
  - Undertake a survey of tour operators and travel companies active in bringing visitors to the site to obtain information regarding visitor and operator needs and preferences and have them evaluate the site against neighboring and comparable attractions;
  - For this task, the Consultant should build upon the findings of the Borobudur-Prambanan-Yogyakarta Market Analysis and Demand Assessment.
- C. Meet with individual stakeholders, in interviews or by holding workshops, and develop a draft paper on the current issues affecting the conservation and management of Borobudur. The Consultant should consult:
  - community leaders to obtain their ideas for planning, tourism development in neighboring communities and the types of skills available in the community;
  - management and administration staff of the different entities with a legal mandate to manage the site (i.e., PT TWC, Borobudur Conservation Office- Ministry of Education and Culture, Kabupaten Magelang) in order to identify their concerns and issues;
  - local guides for their views of visitor management as well as social and environmental conditions at the site;
  - scientists and researchers to learn more about the site’s environmental and social conditions in relation to visitation impacts;

- hotel owners and managers for their views on management problems, e.g., reservation systems and communication between the site and the hotels; and
- tour operators who package and sell tours to the site to determine tourists' and operators' needs and preferences.

#### D. Write tourism policies

- Based on the outputs of activities A, B and C develop visitor management policies for Borobudur Temple Compound. These policies should reflect the site's policy needs, management parameters, stakeholder concerns, the site's comparative advantage, and existing legislation and international conventions;
- Prepare a policy and vision statement document.

#### E. Develop management objectives

- If appropriate, and taking into account the vision statement, stakeholder concerns and management preferences for the site, use the outputs developed in the preceding activities to identify and map these according to different Recreation Opportunity Spectrum (ROS) classes<sup>66</sup> or similar technique;
- Draft the management objectives for either the whole site or each opportunity class, if ROS is being used;

#### F. Prepare a plan for infrastructure development

- Based on the identified management objectives prepare a plan for infrastructure development for the site;
- Assess and analyze the existing legal and regulatory spatial planning framework for the Borobudur Temple Compound described in activity A;
- Prepare a set of guidelines and recommendations for the preparation of the Borobudur-Prambanan-Yogyakarta Integrated Tourism Master Plan and for the review and preparation of additional spatial or sectoral plans related to this tourism destination.

### ***Task 3. Develop a monitoring system for Borobudur Temple Complex***

#### A. Identify the site's tourism impacts and problems

- Conduct desk research and stakeholder consultation to develop a prioritized list of existing impacts and threats at the site;
- Examine the cause-and-effect relationship of the identified impacts;
- Prepare an overview description of the impacts and preliminary list of actions needed to mitigate them.

#### B. Identify indicators

- Based on the output of the previous activity develop a preliminary list of tourism indicators with justifications for their selection, and estimate associated monitoring costs.

#### C. Collect baseline data on the indicators selected

- Develop a monitoring program and write a monitoring manual;
- Determine method to collect data;

<sup>66</sup> **Recreation Opportunity Spectrum (ROS)** – The ROS is a means of describing how tourism and recreation will be managed for different areas within a site. It works under the assumption that certain activities fit best in certain physical areas. The identification and mapping of opportunity classes set out the desired conditions for the different areas and provide guidelines for management objectives including tourism/recreation activities and infrastructure development. Each classification entails management standards and desired conditions that fall within a site's policy goals. The information needed to identify and establish opportunity class areas should be drawn from background information on policy goals, existing legislation, and stakeholder concerns.

- Determine how stakeholder partners could be involved in the monitoring process.
- D. Set standards for indicators**
- Building upon the data from activity C and previous carrying capacity studies, develop a preliminary set of indicator standards;<sup>67</sup>
  - If ROS opportunity classes are being used, set standards reflecting the different experiences desired in different areas of the site;
  - Prepare a set of guidelines and recommendations for the selection of indicators that will be monitored by the UNWTOs Sustainable Tourism Observatories<sup>68</sup> at the destination level in order to maximize efforts and coordinate data gathering and flow of information.

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<sup>67</sup> Measurement standards for indicators provide targets for measuring tourism impacts to keep them within acceptable limits. Once standards are set, a regular monitoring framework will be used to determine the degree to which existing conditions vary from desired conditions.

<sup>68</sup> Sustainable Tourism Observatories (STOs) are being established by MOT at major tourism destinations under a sustainable tourism program of the UN World Tourism Organization (UNWTO). The establishment of STOs has been chosen for the following destinations: Sesaot, Lombok; Sleman, Yogyakarta, Pangandaran, West Java and Lake Toba in North Sumatra. STOs were formalized through an MOU signed between UNWTO and MOT in Jakarta in September 2016.

## APPENDIX 2

### OUTLINE FOR UKL-UPL AND AMDAL STUDIES

#### A. UKL-UPL

##### Environmental Management Effort and Environmental Monitoring Effort (UKL-UPL)

The UKL-UPL form is based on Article 8 from the Minister of the Environment Decree No. 16 Year 2012, which includes:

- a. identity of initiator;
- b. business and/or activity plan;
- c. environmental impact that will occur and the environmental management and monitoring program;
- d. number and types of environmental licenses that are required;
- e. statement of commitment to conduct all provisions in the UKL-UPL form;
- f. bibliography; and
- g. appendix

The format of the UKL-UPL is as follows:

##### a) Identity of Initiator

1.	Initiator Name	
2.	Business Address, postal code, phone no, fax no, and email	

##### b) Business and/or Activity Plan

1.	Name of business and/or activity plan	
2.	Location of business and/or activity plan. Attach a map that is built in accordance with cartographic rules and/or an adequate illustration of the location	
3.	Scale/size of the business and/or activity plan	State the size, volume, capacity, and/or other magnitudes which can be used to provide an illustration of the scale of the activity.
4.	An outline of the components in the business and/or activity plan	Explain: conformity of the location with regional spatial and the indicative map of new license delays ( <i>Peta Indikatif Pemberian Izin Baru</i> , or PIPB), principle approval and formal proof, description of planned activity components that have the potential to cause social and environmental impact

##### c) Environmental Impact Caused by Environmental Management Effort and Environmental Monitoring Effort

This section contains the table/matrix summarizing the environmental impact caused by the activity, environmental management and monitoring efforts, and information on environmental management and monitoring institutions.

**Example UKL-UPL Matrix**

			Environmental Management Effort			Environmental Monitoring Effort			Environmental Management and Monitoring Institution	Description
Source of Impact	Type of Impact	Scale of Impact	Type of Environmental Management	Location of Environmental management	Time Period of Environmental Management	Type of Environmental Monitoring	Location of Environmental Monitoring	Time Period of Environmental Monitoring		
Write the activity that caused the environmental impact	Write the impact that can occur	Write the unit that can describe the scale of the impact	Write the type of environmental management effort that will be planned for each impact caused by the activity	Write the location of the environmental management effort	Write information on the time period of the environmental management effort	Write information on the method and/or technique used for monitoring of the environmental quality which is used as an indicator of success for environmental monitoring	Write information on the location of the environmental monitoring	Write information on the time/period of the planned environmental monitoring	Write the institutions related to environmental management and monitoring	Write other relevant information



## B. AMDAL

### **Environmental Impact Assessment (AMDAL) Document Framework according to Minister of Environment Decree No. 16/2012**

The ESIA Document consists of (article 4 Minister of the Environment Decree No. 16 Year 2012):

- a. TOR (Term of Reference);
- b. ANDAL; and
- c. RKL-RPL (Environmental Management Plan – Environmental Monitoring Plan)

#### **The Reference Framework contains:**

- a. **Introduction:** background and objective of the business plan and/or activity and the ESIA study implementation.
- b. **Scope:** Description of the business and/or activity that will be analyzed, consisting of the ESIA study status, conformity of the planned activity location with the regional spatial plan, and a description of the business plan with a focus on activity components that have the potential to cause environmental impact based on the activity plan and its alternatives.
- c. **Study Method:** description of the data collection and analysis method that will be used, the method for forecasting significant impacts that will be used, and the holistic method to evaluate environmental impact;
- d. **Bibliography:** In the bibliography section, the author lists the literature or references that were used to write the TOR document. Citation of references must follow widely known academic etiquette; and
- e. **Appendix:** formal proof of principle approval, certification of EIA composer competence, proof of registration for document preparation services (LPJP), letter of ESIA study implementation team formation, biodata of ESIA preparation team personnel, statement letter signed on a stamp which states that the ESIA team member was actually the one preparing the document, other information on activity plans, formal proof that the activity plan conforms with the regional spatial plan, data and information on environmental baselines; proof of ESIA announcement, community involvement results (result of public consultation, discussions with stakeholders, and the result of data analysis of public consultation results), and other data that are considered important.

**Example summary table for the scoping process**

No.	Description of Planned Activity with the Potential to Cause Environmental Impact	Environmental Management Efforts that have been Planned as part of the Activity Plan	Impacted Environmental Component	Scope			Study Area	Study Time Period (justify why this time period was chosen)
				Potential Impact	Evaluation of Potential Impact	Hypothetical Significant Impact (DPH)		
Pre-construction Stage								
Construction Stage								
Operational Stage								
Post-operation Stage								

**Example study method summary table**

No.	DPH	Impact Forecasting Method	Relevant data and information	Data collection method for forecasting	Data analysis method for forecasting	Evaluation method (not for individual impact but for overall impact)

**ANDAL consists of:**

- a. **Introduction:** summary of the business and/or activity plan, hypothetical significant impact, limits of study area, and study time limit based on scoping in the terms of reference (including any available alternatives);
- b. **Detailed description of the initial environmental setting:** contains a description of the environmental setting in detail at the proposed business and/or activity location consisting of environmental components affected by significant impact caused by proposed activities, businesses, and/or activities around the proposed activity location;
- c. **Hypothetical significant impact:** produce information on the scale and characteristics of significant impact for each hypothetical significant impact that was studied;
- d. **Holistic evaluation of environmental impact:** describe the result of evaluation of the relationship and interaction between hypothetical significant impacts to determine the characteristic of the total environmental impact caused by the proposed business and/or activity;
- e. **Bibliography:** important data and information must be supported by updated literature listed in a bibliography using standard bibliographical format; and
- f. **Appendices:** Terms of Reference Agreement or Terms of Reference Administrative Completeness Statement, detailed data and information on the environmental setting (tables, graphs, and photos of the environment if needed), summary of basic theories, assumptions, procedures, processes, and calculations used to forecast impact, summary of theories, assumptions, procedures, processes, and calculations used to holistically evaluate environmental impact, other relevant data and information.

**Example impact analysis summary table**

No.	DPH	Initial Environmental Setting	Impact Forecasting Result	Impact Evaluation Result
			Note: There are two options for forecasting: 1. Comparison of environmental conditions with and without the activity without considering the natural change in environmental conditions 2. Comparison of environmental conditions with and without the activity by considering natural changes in environmental conditions (an analysis of the natural changes in environmental conditions is required)	
Pre-construction Stage				
Construction Stage				
Operation Stage				
Post-operation Stage				

**RKL – RPL consist of:**

- a. **Introduction:** RKL-RPL implementation objective in general and clear statement. This statement must be systematic, simple, and clear;
- b. **Environmental Management Plan (RKL):** describe the forms of environmental management conducted on the impact to avoid, prevent, minimize, and/or control the negative impacts and improve positive impacts.
- c. **Environmental monitoring plan (RPL):** briefly describe the monitoring plan in matrix or table form for caused impact;
- d. **Number and types of required environmental protection and monitoring permits (PPLH):** in the case of proposed business and/or activities required PPLH permit, accordingly describe

identification and formulation of required number and types of environmental permit list and environmental management based on environmental management plan;

- e. Statement of proponent's commitment to conduct provisions in RKL-RPL: consist of proponent's statement to conduct RKL-RPL signed in stamped paper;
- f. Bibliography: in this part, informs data source and information used for RKL-RPL development, either books, magazine, essay or scientific researches report. All literatures must be written accordingly to literature writing guidance; and
- g. Appendix: significant and relevant data and information.

**Example of environmental management plan (RKL) matrix**

No.	Managed Environmental Impact	Source of Impact	Environmental Management Success Indicator	Environmental Management Type	Environmental Management Location	Environmental Management Time Period	Environmental Management Institution
Significant Impact Managed (Result of Management Recommendation from the ANDAL)							
Other Impacts Managed (environmental management that has been planned since the beginning in the activity plan, SOP, government technical guidelines, international standards, etc.)							

**Example environmental monitoring plan (RPL) matrix**

No.	Environmental Impact Monitored			Environmental Monitoring Type			Environmental Monitoring Institution		
	Type of Impact Caused (can be ambient or at the source)	Indicator/Parameter	Source of Impact	Data Collection & Analysis Method	Monitoring Location	Time & Frequency	Implementer	Supervisor	Report Recipient

## APPENDIX 3

### PROCESS FRAMEWORK

#### A. BACKGROUND

OP 4.12 Annex A, para 26. A process framework is prepared when Bank-supported projects may cause restrictions in access to natural resources in legally designated parks and protected areas. The purpose of the process framework is to establish a process by which members of potentially affected communities participate in the design of the plan for designated parks and protected areas, or in the conservation-related physical investment to prevent a legally designated parks and protected areas from further degradation or maintain their functions, in the determination of measures necessary to achieve resettlement policy objectives, and in the implementation and monitoring of relevant physical investment activities (see OP 4.12, paras. 7 and 31). Indonesian regulation also releases a Regulation of Ministry of Forestry No. T.39/Menhut-II/2013 concerning Local Community Empowerment through Forest Partnership.

**Applicability of the Process Framework.** The Process Framework only applies to any activities under the Project, especially those under the supports of Component 1 and 4, involving access restrictions in relation to protected areas and conservation activities. Access restrictions that are not related to conservation activities will be addressed under the ESIA/ESMP for OP 4.01 -related impacts or a LARAP for OP 4.12-related impacts.

Specifically, the process framework describes participatory processes by which the following activities will be accomplished:

- (a) Physical investment components will be prepared and implemented. The document should briefly describe the physical investment and components or activities that may involve new or more stringent restrictions on natural resource use. It should also describe the process by which potentially displaced persons participate in physical investment design.
- (b) Criteria for eligibility of affected persons will be determined. The document should establish that potentially affected communities will be involved in identifying any adverse impacts, assessing of the significance of impacts, and establishing of the criteria for eligibility for any mitigating or compensating measures necessary.
- (c) Measures to assist affected persons in their efforts to improve their livelihoods or restore them, in real terms, to pre-displacement levels, while maintaining the sustainability of the park or protected area will be identified. The document should describe methods and procedures by which communities will identify and choose potential mitigating or compensating measures to be provided to those adversely affected, and procedures by which adversely affected community members will decide among the options available to them.
- (d) Potential conflicts or grievances within or between affected communities will be resolved. The document should describe the process for resolving disputes relating to resource use restrictions that may arise between or among affected communities, and grievances that may arise from members of communities who are dissatisfied with the eligibility criteria, community planning measures, or actual implementation.

Additionally, the process framework should describe arrangements relating to the following.

- (e) Administrative and legal procedures. The document should review agreements reached regarding the process approach with relevant administrative jurisdictions and line ministries (including clear delineation for administrative and financial responsibilities under the physical investment).
- (f) Monitoring arrangements. The document should review arrangements for participatory monitoring of physical investment activities as they relate to (beneficial and adverse) impacts on persons within the physical investment impact area, and for monitoring the effectiveness of measures taken to improve (or at minimum restore) incomes and living standards.



Implementation of the designation of an area as protected may cause restrictions of traditional access to natural resources in the legally designated protected areas. Access restriction for forest-dependent communities to the benefits of the services provided by natural resources in the legally designated protected areas may prohibit local communities' access to the area they depend on, and could adversely affect social and economic livelihoods of these communities. This Process Framework (PF) is instituted to promote community participation in the design of the plan of the designated protected areas or in the design of conservation-related physical investment that can enforce conservation activities while at the same time develop acceptable alternatives sustainable resource use due to the access restriction caused by these two activities. In the event that designation of protected areas or conservation-related physical investment that intends to protect the designated protected areas requires forest-dependent communities to stop or reduce their activities, these communities must be able to find alternative sources of livelihoods. In order for conservation initiatives to be effective while maintaining sources of livelihoods for the affected communities, the designation of protected areas may call for the provision of incentives to affected communities. Such incentives are not necessarily directly linked to forest rent (payment for results) but can also be monetary or non-monetary benefits to enable or motivate a particular behavior.

This PF serves as a guideline for planning, managing, monitoring, and evaluating the impacts of access restrictions on livelihoods due to Project implementation. The main objective of this framework is to ensure that livelihoods can be restored to, at least, "before-the-project" levels. Once the sites and communities affected have been identified, this PF requires that the agency/entity proposing the designated protected areas or conservation-related physical investment to protect the protected areas to be financed by the IPF prepare a Plan of Action (refer to paragraph K) or an equivalent instrument be developed in consultations with affected communities outlining among others specific measures to be undertaken, types of alternative livelihoods, facilitation support and in some instances monetary and/or non-monetary compensation, implementation arrangements, clear indicators of outputs and outcomes, and timelines.

## B. POLICY OBJECTIVES AND KEY DEFINITIONS

It is often not possible and practical to presume that all livelihood impacts of proposed restrictions can be predefined. The nature of the restrictions to the designated protected areas and the specific interventions needed to restore people's livelihoods also cannot be necessarily known fully in advance. This PF is required with a view to ensure that the designation of protected areas fulfil the objectives of conservation while at the same time, promote sustainable livelihoods of forest dependent communities by 1) promoting sustainable use and management of natural resources; 2) avoiding unnecessary restrictions of access to these resources and fostering partnership with local communities<sup>69</sup>; 3) ensuring adequate participation and consultations of the affected population in the overall project areas; 4) ensuring that a restorative and mitigation plan of action, which describe specific measures to assist people adversely affected by the proposed designated protected areas causing restrictions, are put in place prior to the enforcement of the designated protected areas.

Key definitions used in the framework are as follows:

- a. **Project Affected Persons (PAPs)** refers to all of the people who, on account of the land use development and/or physical investment and/or due to the an area designated as protected, would have their (i) standard of living adversely affected; or (ii) rights, titles, interest in any property rights (including premises, agricultural, grazing and hunting land) and/or any other fixed or movable assets acquired or possessed temporarily or permanently; (iii) access to productive assets adversely affected, temporarily or permanently; (iv) business, occupation, work or place of residence or habitat adversely affected;
- b. **Access Restriction** refers to a process whereby local communities residing in and/or near project sites lose access partially or wholly, temporarily or permanently to land and natural resources in legally designated parks or protected areas. Such restrictions can be the consequence of voluntary and involuntary actions.

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<sup>69</sup> Specific guideline for Forest Partnership could be referred to Ministerial Regulation no.P.39/Menhut-II/2013 on Local Community Empowerment through Forestry Partnership

- c. **Rehabilitation** is the process by which PAPs are provided sufficient opportunity to restore productivity, incomes and living standards. Compensation for assets is often not sufficient to achieve full rehabilitation.
- d. **Compensation** can be monetary and non-monetary prior project implementation or after achievement of certain emission reduction indicators (payment for results). Funds from public or donor sources can be used to provide incentives and assistance for sustainable land use and livelihoods.
- e. **Land acquisition** is the process whereby a person involuntarily loses ownership, use of or access to, land as a result of project/sub-project activities. Land acquisition can lead to a range of associated impacts including loss of residence, livelihoods, or other productive assets.

## C. KEY PRINCIPLES

In developing a Plan of Action to mitigate adverse impacts of access restrictions, the following principles need to be adhered to:

- a. **Participation:** Broad public participation by affected communities are sought. Affected communities shall be engaged in a method that is culturally appropriate and based on FPIC particularly where Indigenous Peoples (*Masyarakat Hukum Adat or Masyarakat Adat or Masyarakat Tradisional*) are present. All affected communities will be openly in an effort to collaborate and be made aware of the option to refuse to participate in the preparation and implementation of the ITMPs (including DDPs) and sectoral plans.
- b. **Access to information and disclosure:** Information is made available in a language(s) acceptable to affected communities, adopting various media to ensure broad outreach. Communication of the plan designating the protected areas or conservation-related physical investment that intends to protect the designated protected areas will begin early during the preparation phase, occur regularly throughout the project cycle in a consistent and transparent manner and allow for the timely disclosure of relevant information.
- c. **Social inclusion:** Engagement shall take into consideration critical issues of gender equity, illiteracy, disability, ethnicity, and other exclusion factors for socially excluded and other vulnerable groups to ensure that any dialogue is inclusive and mitigation measures are tailored to meet the needs of vulnerable persons.
- d. **Transparency:** Information about the plan of the designated protected areas or conservation-related protected areas that intends to protect the protected areas, including their positive and negative impacts, are communicated to affected communities in a transparent manner. Information about implementation of mitigation measures, including budgeting, GRM, and monitoring and evaluation, shall be accessible to affected communities.
- e. **Free, Prior, and Informed Consultation:** Consultations with affected communities shall be well-documented, adequately resourced, capture stakeholder views to inform decision about the project (i.e. two-way communication), and allow adequate time for community decision-making.
- f. **Avoiding unnecessary restrictions:** The design of the designated protected areas or the plan of the conservation-related physical investment that intends to protect the designated protected areas shall strive to seek alternatives to achieve carbon emission reduction objectives while maintaining local communities' access to conservation areas e.g. partnership schemes.

## D. COMMUNITY ENGAGEMENT

Forest-dependent communities may have long-standing use of the forest resources. Households may depend on natural resources for the sustenance of their livelihoods such as income, employment, and food, as well as social and cultural practices. Affected communities may be adversely affected by construction activities both temporarily and permanently, and such impacts could be particularly severe in the events of loss of productive assets and livelihoods. For IPs, their culture and history are connected to their ancestral territories, often in forest areas. It is therefore critically important to engage forest-dependent communities at all levels who use or benefit from the natural resources in the designated protected areas, since the success of carbon emission reduction partly hinges on behavioral change of these communities. Some of these aspects for community engagement need to be taken into consideration:

- a. Forest dependent communities are recognized as a diverse group even if they may belong to the same communities or organizations. The pattern of forest dependence, natural resource

use, and hierarchy including gender roles may differ from place to place and time to time. Efforts should not overlook vulnerable groups in the affected communities;

- b. Forest-dependent communities, including IPs and local communities are regarded as equal partners and stakeholders in the management of conservation areas and natural resources in general. Their views must be considered and respected.
- c. Although community members may not be able to fully participate in the scientific design process (e.g. valuation of carbon, or zonation), their traditional knowledge will be incorporated in the overall design.
- d. It is critical not to raise community expectations beyond what the project is able to deliver. Efforts shall be made to ensure that communities are properly informed about key biodiversity interests to ensure the achievement of carbon reduction emission.
- e. Not all community stakeholders are aware of the intent, management, technical issues, planning processes or benefit sharing mechanisms and therefore will require some guidance to facilitate their participation. Awareness raising is therefore key to fostering engagement and participation of affected communities, and may take the form of community meetings, informational presentations, and dissemination of informational materials among others.

## **E. IDENTIFICATION AND ELIGIBILITY OF DISPLACED PERSONS**

Two categories of eligibility are established in this framework, including:

### **a. Eligible communities**

As per the World Bank's OP 4.12, the term "displaced persons" used in this framework is synonymous with "project affected persons" and is not limited to those subjected to physical displacement. Displaced communities may be classified in one of the following three groups:

- i. Those who have formal legal rights to land;
- ii. Those who do not have formal legal rights to land at the time the census begins but have a claim to such land, assets or properties that such claims are recognized under the national laws or become recognized through a process supported by the project;
- iii. Those who do not have recognizable legal rights to the land under the national laws, but recognized by other claimants (e.g. customary and traditional rights not recognized under the national laws).

Depending on the level of property ownership and level of vulnerability or whether the impacts are direct or indirect, the forms and types of livelihood support may vary. This framework applies to all those persons who lose access to legally designated parks and protected areas resulting in adverse impacts on their livelihoods. It is important to highlight in this framework that a baseline assessment is required to establish eligibility criteria and identify eligible community members. The baseline is also important to demonstrate the types and extent of loss of access as a result of access restrictions.

### **b. Ineligible communities**

Livelihood support and allowance is made for the flexibility to exclude from displacement assistance anyone who is involved in unsustainable and destructive activities after the establishment of protected and conservation areas and zoning schemes have been fully consulted and agreed. This is to be clearly communicated to community members during initial consultations.

## **F. ESTABLISHING IMPACTS ON LOCAL COMMUNITIES**

While the designation of protected areas or development of conservation-related physical investment that intends to protect the designated protected areas is expected to affect the livelihoods of local community members through involuntary access restrictions to natural resources in such protected areas, specific impacts will not be necessarily fully known until the implementation of such activities begin. In order to adequately determine those impacts, it will be necessary to collaborate and consult with community members, and their representative organizations to identify those who are being directly affected and determine the ways in which the effects are being experienced.

## **G. LIVELIHOODS RESTORATION AND FACILITATION**

The overall aim of the restorative and mitigation measures is to compensate for and diversify the livelihoods of the affected communities in and surrounding the designated conservation/protected

areas. The designated protected areas will support the development of community-based enterprises or other small-scale livelihood activities such as agriculture, fishery, agroforestry etc. that can help offset the opportunity costs of access restrictions. Such efforts can be done in partnership with other entities such as CSOs, NGOs, and the private sector. The process of developing alternative livelihood strategies will be participatory and will be underlined by the spirits of equity and community-driven decision making. The process to achieve this will be started with mobilizing affected community members to ensure that they have the space and opportunity to consider the options available to them. Mitigation measures and assistance support being taken to address livelihood restoration must be long-term in order for them to achieve a restorative effect.

## **H. GRIEVANCE REDRESSAL MECHANISM (GRM)**

A GRM is instituted to identify procedures to effectively address grievances arising from the implementation of the plan of designating the protected areas. Affected communities must have an avenue where they can formally lodge their complaints and grievances in a confidential manner and have them properly considered and duly addressed in due course. A GRM can help agency/entity management significantly enhance operational efficiency in a variety of ways such as fostering public awareness about the designated protected areas or the conservation-related physical investment that intends to protect the protected areas and its objectives, enhancing trust of the good intent of the project, deterring fraud and corruption, mitigating risks, providing project staff with practical suggestions that allow them to be more accountable, transparent and responsive to communities, assessing the effectiveness of internal organizational processes and improving stakeholder involvement affected by the designation of an area as protected. The GRM arrangement for this project is described in Section 10 of this ESMF.

## **I. MONITORING AND EVALUATION OF PROCESS FRAMEWORK**

The main purpose of the PF's M&Es system is to monitor the extent and the significance of adverse impacts and the effectiveness of measures designed to assist affected communities to improve or restore livelihoods. The M&E is designed in a participatory manner involving affected communities and various methods and approaches can be developed in this regard (see Section on Monitoring and Evaluation in this ESMF). Those who benefit from livelihoods restoration and support will also be involved to monitor and evaluate the effectiveness of the alternative livelihood measures being undertaken due to the access restriction to use or benefit from the natural resources in the designated protected areas.

## **J. DISCLOSURE**

Mitigation measures as well as their implementation arrangement and budgeting as outlined in the Plan of Action are prepared in consultation with affected communities. A draft must be disclosed, as soon as feasible but never less than two weeks prior to any meetings or consultations. The disclosure also includes the findings of social assessments and analyses that inform the Plan of Action. Disclosure is delivered in a culturally appropriate manner and in a language, that can be understood by the majority community members. Extra efforts shall be made to outreach communities who reside in remote areas to ensure broad information dissemination. In some instances, verbal communication may be more efficient than written forms. The Plan of Action, together with the agreements reached with affected communities and minutes of public consultations, must also be available in the agency/entity's websites and will be periodically updated.

## **K. OUTLINE OF PLAN OF ACTION FOR ACCESS RESTRICTION**

The plan of the designated protected areas, or the plan of the conservation-related physical investment that intends to protect the designated protected areas, project background and how the plan is prepared, including consultations with local communities and other stakeholders, are part of the Plan of Action. This section needs to highlight the plan to designate protected areas or the plan of the conservation-related physical investment that intends to protect the designated protected areas supported by the Project components/sub-components that may result in access restrictions:

- a. The socio-economic profiles of local communities and their dependence on natural resources and social and cultural attachment to the legally designated parks and conservation areas;
- b. The nature and scope of restrictions, their timing, as well as administrative and legal procedures to protect affected communities' interests;

- c. Protected area boundaries and zones as well as the length of legal enforcement for conservation (i.e. permanent vs. temporary);
- d. The anticipated social and economic impacts of the restrictions;
- e. The communities or persons eligible for assistance;
- f. Specific measures to assist these people, along with clear timetables of actions and financing sources;
- g. Implementation arrangements, roles and responsibilities of various stakeholders, including government and non-government entities, service providers (NGOs, CSOs) and other entities providing services or assistance to affected communities;
- h. Arrangement for monitoring and enforcement of restrictions and natural resources management agreements;
- i. Clear output and outcome indicators developed in consultation with affected communities

## **L. BENEFIT SHARING**

### **A. Definition**

Integral to the Process Framework is benefit sharing with affected PAPs whose land and income streams become disrupted or decline due to infrastructure development financed by the subproject. Benefit sharing involves the intentional transfer of monetary and non-monetary incentives and assistance to enable affected parties to implement activities that could offset the impacts induced/triggered by the designated protected areas. The benefits can range from participation in the labor-force, shares in the stock-market, social development initiatives, direct financial payments and technical assistance (for instance technology provision or skill-training in relevant areas). Arrangements for sharing these benefits can involve mechanisms for revenue sharing (i.e. shares) or alternatively mechanisms for transferring monetary and non-monetary assistance among parties in the agreement. Important conditions in benefit sharing require identifying the beneficiaries and necessary benefits. All parties in the agreement must agree on obligations or responsibilities that need to be met in order to access the benefits. There is also a need to develop systems for recording and monitoring the distribution of benefits and milestones of related obligations.

The key principle of benefit sharing goes beyond one-time compensation payment and short-term resettlement support for PAPs. Benefit sharing treats both displaced people and affected communities that host the designated protected areas in their locality as legitimate partners in the subproject and first among their beneficiaries. Benefit sharing is generally regulated under the Law No.2 Year 2012 on Land Acquisition for Public Interest, where compensation can be in the form of shares in the stock market or other forms agreed between PAPs and subproject owners.

Benefit sharing arrangements recognize the nature of the impacts induced by the designated protected areas, which are to some extent irreversible and long-term. Depending on the types of benefit sharing, such arrangements could also be used to mobilize financing and activities to improve the management of ecosystem services permanently transformed by the designated protected areas which may result in impoverishment and livelihood displacement for PAPs. Although benefit sharing is mostly applicable to commercial infrastructure subprojects to be viable (i.e. toll road, hydropower, electricity, etc.), its application could also be expanded to the non-commercial sector with differing length and amount of benefits depending on the nature and scale of impacts. Benefit sharing should be flexible and depending on the agreement, may continue over the economic life of the conservation-related physical investment that intends to protect the protected areas.

### **B. Requirements**

It is important to ensure that all stakeholders understand the mechanism, including the proportion/ratio of the benefits distributed, benefit-flows, as well as eligibility criteria. It is also important for beneficiaries to have sufficient understanding how benefits are calculated including the balance between the level of revenue sharing (as a percentage of revenue generated by subproject-specific activities) and the impacts of such sharing on profitability. Promoting such understanding across different levels of stakeholders is important to foster transparency and allay suspicion that may arise due to information gaps.

The general approach for benefit sharing calls for:



1. An agreed formula and standard procedures to remit a share of the revenue generated by infrastructure subprojects into revenue sharing funds and internalize such costs into calculation of ROI (return on investment);
2. Establishment of the eligibility criteria, grant selection, and award procedures and administrative arrangements for the fund;
3. Appointment of a benefit sharing council/board/organization with appropriate local representation and capacity to communicate benefit sharing arrangement with beneficiaries, manage the Fund transparently and make other recommendations on non-monetary forms of benefit sharing e.g. social development, in-kind assistance, etc.
4. Use of the fund to offer a menu of local development options preferred by beneficiaries; grants are often managed on a competitive basis based on agreed criteria;
5. Mechanisms for transparency, accountability and monitoring to foster public confidence;

C. Steps

There are multiple approaches for benefit sharing, depending on socio-economic circumstances, level of governance, characteristics of the designated protected areas, or the types of conservation-related physical investment that intends to protect the designated protected areas. The steps outlined in the following serve as an example and are not meant to be prescriptive and exhaustive:

1. Consultations with affected communities with regards to the plan of the designated protected areas or the plan of the conservation-related physical investment activities that intends to protect the designated protected areas including locations, timeline, the need for labor-force and requirements, as well as the scale of (perceived and real) impacts and their nature (permanent and/or temporary) and who bear those impacts the most. Such consultations must take place early during the preparation of the plan for designating the protected areas or the plan of the conservation-related physical investment that intends to protect the designated protected areas once the locations and boundaries have been identified and be conducted more than once to ensure outreach. In some situations, this process may call for the presence of mediators to foster neutrality and impartiality.
2. Once the affected communities have obtained sufficient understanding and come to agreement to the plan of the designated protected areas or the plan of the conservation-related physical investment that intends to protect the designated protected areas, selection of community representatives to be in the benefit sharing council can begin. Participation in this council is voluntary and selection needs to be aware of elite capture and therefore preparation is key to ensure broad representation of community interests in the council. A rotation system also needs to be established for this council to ensure participation of other eligible members.
3. Together with the benefit sharing council, preparation of benefit sharing arrangement. This includes establishing eligibility criteria, priorities, period of benefit flows, fund management, types of eligible programs, technical assistance, etc. Every unclassified material must be furnished to the council in a user-friendly manner and in a timeframe, that allows them to digest the information. Such information may include the proportion of revenue sharing as well as monetary and/or non-monetary transfer in ratio with projected profits.
4. Another round of consultations with affected communities to consult the draft agreement including all the provisions in benefit-sharing. Critical points to be agreed upon include eligible beneficiaries, types of benefits, length of benefit-sharing, ratio of the benefits to the overall profits by specific subproject activities. This process could be led by the council assisted by mediators if considered necessary. This agreement should also look into the timeline of the arrangement (e.g. whether benefits will be incremental and gradually increase along with profitability, and frequency) and arrangement for grievance redressal.
5. Pilot the delivery and monitoring mechanisms, as well as grievance measures, potentially starting from the directly affected communities before scaling up to other communities as envisioned in the agreement.
6. Stock-taking exercise with affected communities with regards to what works and does not and at the same time, improve the system as well as build the capacity of implementing organizations and benefit sharing council.



## APPENDIX 4

### CONTENTS OF A LAND ACQUISITION AND RESETTLEMENT ACTION PLAN (LARAP)

The full LARAP covers the elements below, as relevant. When any element is not relevant to the circumstances of a particular physical investment, it should be noted in the LARAP.

1. *Description of the physical investment.* General description of the physical investment and identification of the investment area.
2. *Potential impacts.* Identification of (a) the physical investment component or activities that will require land acquisition or give rise to resettlement; (b) the zone of impact of such component or activities; (c) the alternatives considered to avoid or minimize resettlement; and (d) the mechanisms established to minimize resettlement, to the extent possible.
3. *Objectives.* The main objectives of the LARAP.
4. *Census of Project Affected Persons (PAPs) and inventory of affected assets.* The results of the census and the inventory of assets, including the following information:
  - list of PAPs, distinguishing between PAPs with land rights and occupants without such rights;
  - inventory of plots and structures affected and including the following information:
    - α. Total size of the plot affected, size of the area to be taken for the physical investment, and size of the residual land;
    - β. Status ownership of affected land/building and evidence of ownership;
    - χ. Function of affected land/building;
    - δ. Building condition (permanent, semi-permanent, temporary, etc.)
    - ε. Other assets affected (trees, crops, wells, fences, etc.)
  - total number of PAPs and Project Affected Households (PAHs)
  - number of PAHs who must relocate, distinguishing between (1) those who will be able to rebuild their homes within the residual land of lots affected by the physical investment and (2) those who will be forced to move to another location; and
  - number of PAHs who will lose more than 20% of their productive assets.

The information above should be summarized in a table.

5. *Socioeconomic study.* Findings of a socioeconomic study covering PAHs that lose more than 20% of their productive assets and/or are forced to move to another location. The socioeconomic study should include the following elements:
  - A description of production systems, labor, and household organization;
  - The patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the physical investment;
  - Information on vulnerable groups or persons as provided for in [OP 4.12, para. 8](#), for whom special provisions may have to be made;

- Land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by locally recognized land allocation mechanisms, and any issues raised by different tenure systems;
  - Public infrastructure and social services that will be affected;
  - Social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities;
  - Baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population; and
  - Provisions to update information on the displaced people's livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.
6. *Legal analysis.* The results of an investigation of any legal steps necessary to ensure the effective implementation of land acquisition and resettlement activities under the physical investment, including, as appropriate, a process for recognizing claims to legal rights to land—including claims that derive from customary law and traditional usage.
7. *Institutional Framework.* The findings of an analysis of the institutional framework covering:
- The identification of agencies responsible for resettlement activities and NGOs that may have a role in physical investment implementation;
  - An assessment of the institutional capacity of such agencies and NGOs; and
  - Any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.
8. *Eligibility.* Identification of the PAPs who will be eligible for compensation, resettlement assistance and rehabilitation support and explanation of the criteria used to determine eligibility, including relevant cut-off dates.
9. *Valuation of assets and calculation of compensation for losses.* A description of the procedures that will be followed to determine the form and amount of compensation to be offered to PAPs.
10. *Compensation, resettlement assistance and rehabilitation support.* A description of (1) the compensation packages to be offered to PAPs who lose land and/or other assets, (2) resettlement assistance to be offered to physically displaced persons, and (3) rehabilitation support to persons who lose income sources or livelihoods as a result of land acquisition for the physical investment. The compensation packages, combined with other assistance and support offered to each category of PAPs should be sufficient to achieve the objectives of World Bank Operational Policy 4.12 on Involuntary Resettlement (see [OP 4.12, para. 6](#)). The relocation options and other assistance offered to the PAPs should be prepared in consultation with them and should be technically and economically feasible, as well as compatible with the cultural preferences of the PAPs.
11. *Site selection, site preparation, and relocation.* Alternative relocation sites considered and explanation of those selected, covering:
- institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
  - any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;

- procedures for physical relocation under the physical investment, including timetables for site preparation and transfer; and
  - legal arrangements for regularizing tenure and transferring titles to resettlers.
12. *Housing, infrastructure, and social services.* Plans to provide (or to finance resettlers' provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to ensure comparable services to host populations; any necessary site development, engineering, and architectural designs for these facilities.
13. *Environmental protection and management.* A description of the boundaries of the relocation area; and an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).
14. *Community participation.* Involvement of resettlers and host communities:
- A description of the strategy for consultation with and participation of resettlers and hosts in the design and implementation of resettlement activities;
  - A summary of the views expressed and how these views were taken into account in preparing the resettlement plan;
  - A review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individuals, families, or as parts of preexisting communities or kinship groups, to sustaining existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries);
  - Institutionalized arrangements by which displaced people can communicate their concerns to physical investment authorities throughout planning and implementation, and measures to ensure that vulnerable groups are adequately represented; and
  - Measures to mitigate the impact of resettlement on any host communities, including consultations with host communities and local governments, arrangements for prompt tendering of any payment due the hosts for land or other assets provided to resettlers, arrangements for addressing any conflict that may arise between resettlers and host communities; and any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to make them at least comparable to services available to resettlers.
15. *Grievance procedures.* Affordable and accessible procedures for third-party settlement of disputes arising from activities included in the LARAP; such grievance procedures should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.
16. *Organizational responsibilities.* The organizational framework for land acquisition and resettlement, including identification of agencies responsible for the implementation of the LARAP, the delivery of resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; and any measures (including technical assistance) needed to strengthen the implementing agencies' capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the physical investment and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.
17. *Implementation schedule.* An implementation schedule covering all resettlement activities, from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall physical investment.

18. *Costs and budget.* Tables showing itemized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.
19. *Monitoring and evaluation.* Arrangements for monitoring of land acquisition and resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; submission of monitoring reports to the Bank; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

Note: The information on the schedule of the implementation of the LARAP and the sources of funding may be summarized in a table.

## APPENDIX 5

### CHANCE FINDS PROCEDURES

1. **Definition.** A chance find is archaeological, historical, cultural, and/or remain material encountered unexpectedly during physical investment construction or operation. A chance find procedure is a physical investment-specific procedure which will be followed if previously unknown cultural heritage is encountered during physical investment activities. Such a procedure generally includes a requirement to notify relevant authorities of found objects or sites by cultural heritage experts; to fence off the area of finds or sites to avoid further disturbance; to conduct an assessment of found objects or sites by cultural heritage experts; to identify and implement actions consistent with the requirements of the World Bank and Indonesian law; and to train physical investment personnel and physical investment workers on chance find procedures.

2. **Objectives.**

- a. To protect physical cultural resources from the adverse impacts of physical investment activities and support their preservation.
- b. To promote the equitable sharing of benefits from the use of Physical Cultural Resources (PCR).

3. **Procedure.** If the proposed activity discovers archeological sites, historical sites, remains, and/or objects, including graveyards and/or individual graves during excavation or construction, the activity shall:

- a. Halt the construction activities in the area of the chance find;
- b. Delineate and fence the discovered site or area;
- c. Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be arranged until the responsible local authorities or the district/provincial Department of Culture, or the local Institute of Archaeology, if available, to take over;
- d. Forbid any removal of the objects by the workers or other parties;
- e. Notify all physical investment personnel of the finding and take the preliminary precaution of protection;
- f. Record the chance find objects and the preliminary actions;
- g. Notify the responsible local authorities and the relevant Institute of Archeology immediately (within 24 hours or less);
- h. Responsible local authorities would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures. This would require a preliminary evaluation of the findings to be performed by the local Institute of Archaeology. The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage; these include the aesthetic, historic, scientific or research, social, and economic values;
- i. Decisions on how to handle the finding shall be taken by the responsible authorities. This could include changes in the physical investment layout (such as when finding an irremovable remain of cultural or archeological importance) conservation, preservation, restoration, and/or salvage;
- j. Implementation for the authority decision concerning the management of the finding shall be communicated in writing by relevant local authorities;
- k. The mitigation measures could include the change of proposed project design/layout, protection, conservation, restoration, and/or preservation of the sites and/or objects;
- l. Construction work at the site could resume only after permission is given from the responsible local authorities concerning safeguard of the heritage; and
- m. The physical investment proponent is responsible for cooperating with the relevant local authorities to monitor all construction activities and ensure that the adequate preservation actions are taken and hence the heritage sites protected.

## APPENDIX 6

### INDIGENOUS PEOPLES CONSULTATIONS

1. Indigenous Peoples, or *Masyarakat Adat* (Customary Communities) or *Masyarakat Hukum Adat* (Customary Law Communities) or “*Masyarakat Tradisional*” (or Traditional Communities), three terms usually used interchangeably for IPs in Indonesia, may be vulnerable to the loss of, alienation/resettlement from, or exploitation of natural and cultural resources. IPs communities are often among the poorest of the poor in the community and closely tied to their settlements, lands, and related natural resources upon which their livelihoods depend. Frequently, these lands and settlements are traditionally owned or under customary use and often not legally recognized by national laws. In recognition of this vulnerability, interventions introduced with the objectives to improve land administration and address informal settlements may potentially alienate and/or displace IPs if the mechanisms for Free, Prior and Informed Consultations (FPICs) to obtain broad support are not built into physical investment design and implementation.

2. **Objective.** The extent, frequency, and degree of engagement required by the consultation process should commensurate with the identified risks and potential adverse impacts and with the concerns raised by affected IPs. FPICs are built in a mutually accepted process between affected communities and physical investment actors. FPICs serve at least two purposes:

- a. Provide a platform to undertake a process of consultations in good faith and in a manner that provides affected IPs with opportunities to express their concerns and views on the sharing of development benefits, risks, impacts, and mitigation measures and explore ways to leverage culturally and socially acceptable benefits.
- b. Provide a two-way mechanism for the agency/entity proposing the physical investment (with the assistance of consultants or local experts) to engage with IPs and their organizations, including *Adat* councils, community groups, and community leaders to consider and respond to the views and concerns expressed by affected IPs prior to physical investment execution.

3. **Procedures.** FPICs should be orientated towards obtaining broad community support and by which, broad community support consists of a collection of expressions by affected community members and/or their recognized representatives in support of the proposed physical investment activities. Although FPICs do not necessarily require unanimity, and in some instances decisions may be achieved even though individuals or groups within the community disagree, FPICs lay out organized and iterative processes through which decisions and measures adopted by the investment activity incorporate the views of the affected IPs on matters that affect them directly.

4. The FPIC needs to be built on gender-sensitive and inter-generationally inclusive approaches. Effective FPICs are built upon two-way processes that should:

- a. Involve members of affected communities and their recognized representative bodies and organizations in good faith.
- b. Capture the views and concerns of men, women, and vulnerable community segments including the elderly, youth, displaced persons, children, people with special needs, etc. about impacts, mitigation mechanisms, and benefits where appropriate. If necessary, separate forums or engagements should be conducted based on their preferences.
- c. Begin early in the process of identification of environmental and social risks and impacts and continue on an ongoing basis as risks and impacts arise.
- d. Be based on the prior disclosure and dissemination/socialization of relevant, transparent, objective, meaningful, and easily accessible information which is in a culturally appropriate language(s) and format and is understandable to affected IPs. In designing consultation methods and use of media, a special attention needs to be paid to include the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits.
- e. Focus on inclusive engagement on those directly affected rather than those not directly affected;
- f. Ensure that the consultation processes are free of external manipulation, interference, coercion, and/or intimidation. The ways the consultations are designed should create enabling environments for meaningful participation, where applicable. In addition to the language(s) and media used, the timing, venues, and participant composition need to be



carefully thought through to ensure everyone could express their views without repercussions.

- g. Be documented.

5. In deciding whether to proceed with the physical investment, the agency/entity with inputs from consultants and experts ascertains on the basis of a social assessment and FPIC whether affected IPs provide their broad support to the physical investment. Where there is such a support, the agency/entity should prepare:

- a. Documented evidence of FPICs, as well as measures taken to avoid and minimize risks to and adverse impacts of the affected IPs. This includes list of participants, meeting minutes and other documentation (e.g. photos, video, etc.);
- b. Additional measures, including physical investment design modification, alternative locations, and, where applicable, compensations to address adverse effects on affected IPs and to provide them with culturally and socially appropriate benefits;
- c. Action plan and recommendations for FPICs during physical investment implementation, monitoring, and evaluation, and
- d. Any formal agreements reached with affected IPs and/or their representative organizations.

6. The World Bank will review the process and the outcome of the consultation carried out by the agency/entity to satisfy itself that the affected IPs have provided their broad support to the physical investment. The Bank does not proceed further with/physical investment processing if it is unable to ascertain that such support exists.

7. **Requirements.** To ensure that FPICs can be ascertained, the following requirements are needed to determine whether:

- a. The level of engagement in a way that enables informed participation of affected IPs is acceptable;
- b. The level of support and dissent among affected IPs for the physical investment is taken into account into decision making and development of mitigation measures.

Consideration	Requirements
Project's strategy and principles on engagement	<ul style="list-style-type: none"> <li>- Mainstream the FPIC;</li> <li>- Project Operational Manuals on FPICs;</li> <li>- Budget and personnel provisions;</li> <li>- Consultation schedules and other supporting documentation.</li> </ul>
Stakeholder identification and analysis	<ul style="list-style-type: none"> <li>- Stakeholder analysis as part of the SA;</li> </ul>
Community Engagement	<ul style="list-style-type: none"> <li>- Consultation plan, public consultation and disclosure plan, and stakeholder engagement plan;</li> <li>- Schedule and record of community engagement including discussions and consultations with community members and their representatives.</li> </ul>
Information disclosure	<ul style="list-style-type: none"> <li>- Disclosure plan, including schedules</li> <li>- Materials prepared for disclosure and consultations;</li> <li>- Record/minutes of discussions/consultations with community members and their representatives</li> </ul>
Free, Prior, and Informed Consultations	<ul style="list-style-type: none"> <li>- Record/minutes of discussions/consultations with community members and their representatives;</li> <li>- Documentation of measures taken to avoid/minimize risks to and adverse impacts on affected IPs based on community feedback;</li> <li>- Draft of action plan;</li> </ul>
Consultations with vulnerable groups	<ul style="list-style-type: none"> <li>- Engagement and public consultation plan</li> <li>- Record/minutes of discussions/consultations with members and representatives of vulnerable groups</li> <li>- Documentation of measures taken to avoid/minimize risks to and adverse impacts on vulnerable groups based on community feedback</li> <li>- Draft of action plan</li> </ul>
Grievance redress mechanism	<ul style="list-style-type: none"> <li>- Organizational structure and responsibilities and procedures to manage grievances;</li> <li>- Record of grievances received, including expressions of support or dissent;</li> </ul>

Consideration	Requirements
	<ul style="list-style-type: none"> <li>- Record/minutes of discussions with community members or representatives with regards to grievance redress.</li> </ul>
Feedback to affected IPs (to demonstrate that concerns and recommendations have been accommodated in the physical investment and rationale why recommendations have not been accommodated)	<ul style="list-style-type: none"> <li>- Documentation of risk mitigation measures</li> <li>- Record/minutes of discussions with community members and their representatives;</li> <li>- On-going reporting on implementation of action plan;</li> <li>- Revisions in physical investment activities and action plan;</li> <li>- Surveys/interview records of affected IPs.</li> </ul>
Formal expressions of support or dissent	<ul style="list-style-type: none"> <li>- Record/minutes of meetings/public consultations with community members and their representatives;</li> <li>- Formal letters/written petitions of support/objection submitted by the community and/or their representatives;</li> </ul>
Informal expressions of support or objection	<ul style="list-style-type: none"> <li>- Photographs, media reports, personal letters or third party accounts (NGOs, CBOs, etc.)</li> </ul>
Evidence of good faith consultations	<ul style="list-style-type: none"> <li>- Face-to-face interviews with community members/representatives in the consultations;</li> <li>- Agreements reached with affected IPs (e.g. MoU, Letters of Intent, Joint Statements, etc.)</li> <li>- Action plan, e.g. benefit sharing, development plan, etc.</li> </ul>

## APPENDIX 7

### SOCIAL ASSESSMENTS FOR INDIGENOUS PEOPLES

1. **Objectives.** The purpose of a Social Assessment (SA) described in this appendix is to evaluate the physical investment's potential positive and adverse effects on the Indigenous Peoples in the case that Indigenous Peoples are present in, or have collective attachment to, the physical investment area (based on the screening in accordance with the four criteria as specified in the World Bank OP 4.10 and criteria on *Masyarakat Hukum Adat* and/or local values), and to examine physical investment alternatives where adverse effects may be significant. The breadth, depth, and type of analysis in the SA are proportional to the nature and scale of the proposed physical investment's potential effects on the Indigenous Peoples, whether such effects are positive or adverse. In carrying out an SA, the city or district government will have to be assisted by a consultant team or individuals who are social scientists whose qualifications, experience, and terms of reference are acceptable to the GCA. Experts from local universities or local NGOs who have worked and have experienced in working with the IPs are encouraged to assist the city government.
2. **Outline of the SA.** The SA will at least cover the following:
  - a. Description of Physical Investment Activity
  - b. Information about the Physical Investment Activity's site and condition of the cultural community
  - c. Social Economic Characteristics of the affected Indigenous Peoples' community
    - i. General Characteristics of IPs
    - ii. Specific characteristics of IPs
      - Cultural Social Institutions
      - Economic Condition and Source of livelihood for villagers
      - Cultural practices
      - Etc.
    - iii. Stakeholders' assessments
  - d. A consultation process during the Social Assessment reflecting a FPIC that leads to broad support from the affected IPs community on the proposed Physical Investment Activity.
  - e. Findings and potential Physical Investment Activity's impacts (positive and adverse), for example:
    - Any potential negative economic domination by outsiders
    - Transfer of *ulayat* rights
    - Limited use of natural resources
    - Etc.
    - i. Proposed Mitigation
      - Partnerships with the proponent of the physical investment on natural resource use
      - Training for the affected IPs to be able to participate in the natural and cultural management for tourism development;
    - ii. Etc. Potential positive impacts and efforts to maximize these impacts
  - f. Proposed Action Plans in form of a table containing (to be included in the Draft IPP):
    - i. Plan to maximize the positive impacts
    - ii. Negative issues needing mitigation, as found from the study
    - iii. The mitigation program
    - iv. Physical Investment Activities within the mitigation framework
    - v. Location where the impact and mitigation is going to be done
    - vi. Consultation framework for preparing and implementing IPP
    - vii. Institution in charge of preparing and implementing IPP
    - viii. Schedule for implementation
    - ix. Budget
    - x. Source of budget
    - xi. Remarks (other matters that need to be put in the report)

## APPENDIX 8

### LIST OF PROVINCES AND DISTRICTS IN INDONESIA WHERE INDIGENOUS PEOPLES ARE POTENTIALLY PRESENCE

No	Provinces	Districts with Indigenous Peoples
1	Central Kalimantan	Barito Selatan, Barito Timur, Barito Utara, Gunung Mas, Kapuas, Katingan, Kotawaringin Barat, Kotawaringin Timur, Lamandau, Murung Raya, Sukamara
2	North Maluku	Halmahera Barat, Halmahera Selatan, Halmahera Timur, Halmahera Utara, Kepulauan Sula
3	East Java	Banyuwangi, Bojonegoro, Bondowoso, Magetan, Ponorogo, Sumenep, Trenggalek, Tulungagung
4	Jambi	Bungo, Merangin, Muaro Jambi, Sarolangun, Tanjung Jabung Timur, Tebo
5	West Sulawesi	Majene, Mamasa, Mamuju Utara, Mamuju
6	Lampung	No identified IPs
7	Bengkulu	Bengkulu Selatan, Bengkulu Utara, Kaur, Lebong, Seluma
8	West Java	Ciamis, Cianjur, Garut, Majalengka, Sukabumi, Sumedang, Tasikmalaya
9	Central Java	Cilacap, Demak, Pati, Semarang
10	West Kalimantan	Bengkayang, Kapuas Hulu, Landak, Melawi, Pontianak, Sambas, Sanggau, Sekadau, Sintang
11	North Sulawesi	Bolaang Mongondow, Kep. Sangihe, Kep. Talaud, Minahasa Selatan, Minahasa Utara
12	South Sulawesi	Bantaeng, Barru, Bulukumba, Enrekang, Luwu Utara, Luwu, Maros, Palopo, Sidenreng Rappang, Soppeng, Tanah Toraja, Wajo
13	West Nusa Tenggara	Bima, Dompu, Lombok Barat, Sumbawa Barat, Sumbawa
14	East Nusa Tenggara	Alor, Belu, Ende, Flores Timur, Kupang, Lembata, Manggarai Barat, Sikka, Sumba Barat, Sumba Timur, Timor Tengah Selatan, Timor Tengah Utara
15	Bali	Bangli, Karangasem
16	Bangka Belitung	Bangka Barat, Bangka Selatan, Bangka Tengah, Bangka Timur, Belitung
17	Banten	Lebak, Pandeglang
18	Gorontalo	Boalemo, Bone Bolango, Gorontalo
19	South Kalimantan	Balangan, Banjar, Hulu Sungai Selatan, Hulu Sungai Tengah, Kota Baru, Tabalong, Tanah Bumbu, Tanah Laut, Tapin
20	East Kalimantan	Berau, Kutai Barat, Kutai Kertanegara, Kutai Timur, Pasir
21	Riau Islands	Bintan, Karimun, Lingga
22	Maluku	Buru, Kepulauan Aru, Maluku Tengah, Maluku Tenggara Barat, Seram Bagian Barat
23	Riau	Bengkalis, Indragiri Hilir, Indragiri Hulu, Kep. Meranti, Pelalawan, Rokan Hilir, Rokan Hulu, Siak
24	Central Sulawesi	Banggai Kepulauan, Banggai, Donggala, Morowali, Parigi Moutong, Poso, Tojo Una-Una, Toli-Toli
25	South East Sulawesi	Bombana, Buton, Kolaka Utara, Kolaka, Konawe Selatan, Konawe, Muna, Wakatobi
26	West Sumatera	Kepulauan Mentawai, Lima Puluh Koto, Pasaman
27	South Sumatera	Banyuasin, Lahat, Muara Enim, Musi Banyuasin, Musi Rawas, Ogan Ilir, Ogan Komering Ilir, Ogan Komering Ulu, OKU Selatan
28	North Sumatera	Deli Serdang, Humbang Hasundutan, Langkat, Mandailing Natal, Nias Selatan, Pakpak Bharat, Serdang Bedagai, Simalungun, Tapanuli Selatan, Tapanuli Tengah, Tapanuli Utara, Toba Samosir
29	North Kalimantan	Bulungan, Nunukan, Malinau
30	DI Yogyakarta	No IPs identified

**Note:** Summarized from the World Bank IPs Screening Study, 2010. Confirmation and verification of IPs presence need to be carried out in the field, once the locations of the Project activities are confirmed.

**List of Locations in Lombok and Toba Destinations on Potential Presence of Indigenous Peoples**

Kecamatan	Village	Indigenous	HHs	Population	Position
<b>LOMBOK</b>					
<b>Kab. Lombok Barat</b>					
Sekotong Tengah	Kedaro	No name	115	683	
Lembar	Sekotong Timur	Sasak	185	860	Highland
Lembar	Sekotong Timur	Sasak	203	760	Highland
<b>LAKE TOBA</b>					
<b>Kab. Simalungun</b>					
Dolok Panribuan	Dolok Parmonangan	Batak Simalungun	75	245	Highland
Raya	Pematang Raya	Batak Simalungun	87	125	Highland
Raya	Bahapal Raya	Batak Simalungun	100	380	Highland
Dolok Silau	Mariah Dolok	Batak Simalungun	56	230	Highland
Dolok Silau	Dolok Mariah	Batak Simalungun	100	400	Highland
<b>Kab. Toba Samosir</b>					
Porsea	Dolok Nauli	Batak	60	238	Low land
<b>Kab. Tapanuli Utara</b>					
Tarutung	Partali Toruan	Batak	70	324	Highland
<b>Kab. Humbang Hasundutan</b>					
Pakkat	Sipagabu	Batak	100	235	Inland
Pakkat	Banuarea	Batak	100	420	Inland
Pakkat	Parmonangan	Batak	80	500	Inland

Source: Summarized from the World Bank IP Screening Study, 2010. IPs presence should be verified and confirmed in the field once the subprojects sites are confirmed.

**Project locations identified that could be affected by physical investments:**

See in above table highlighted in *green*.

## APPENDIX 9

### CONTENT OF INDIGENOUS PEOPLES PLAN (IPP)

The following template presents the outline of an IPP. The template can be further developed based on field conditions and as per characteristics of the physical investment activity.

Title of Chapter/Sub-Chapter	Content/Remarks
<b>1. DESCRIPTION OF THE PHYSICAL INVESTMENT</b>	
	Summary Description of physical investment activity (concerning areal boundaries, location, type of occupation, area size, area of influence, etc.)
<b>2. SUMMARY OF SOCIAL ASSESSMENT</b>	
<b>2.1. Baseline Data on IPs</b>	<ul style="list-style-type: none"> <li>Baseline information on the demographic, social, cultural, and political characteristic of the IPs community, the land and territories traditionally owned or customarily used or occupied and the natural resources that they depend upon</li> <li>Identification of key physical investment stakeholders and elaboration of culturally appropriate process for consulting with the IPs at each stage of physical investment cycle</li> </ul>
<b>2.2. Summary of results of the free, prior, and informed consultations with the affected Indigenous Peoples' communities that was carried out during project activity's preparation and led to broad community support for the physical investment activity</b>	<ul style="list-style-type: none"> <li>Identification of potential adverse and positive effects of physical investment activity of the affected IPs within the physical investment activity's area of influence</li> <li>Development of measures necessary to avoid adverse effects or identification of measures to minimize, mitigate, or compensate for such effects and ensure that IPs receive culturally appropriate benefits from the physical investment activity</li> <li>Mechanism to prepare and implement the public consultation with the Indigenous Peoples (consultation concerning the draft physical investment activity plan, etc. as relevant), to include: determination of location and schedule of consultation, information dissemination/invitation, etc.</li> <li>Public consultation process</li> <li>Result/resolution and mutual agreement obtained during consultation meeting.</li> <li>Number and representative of organization/institution presented by participants in the said consultation meeting.</li> </ul>
<b>2.3. A framework for ensuring the free, prior, and informed consultations with the affected IPs communities during physical investment implementation</b>	
<b>3. ACTION PLAN (INPUTS FROM THE RESULTS OF THE SOCIAL ASSESSMENT)</b>	
<b>3.1. Activities for IPs to receive social and economic benefits</b>	
<b>3.2. Activities to avoid, minimize, mitigate, or compensate for adverse effects</b>	
<b>3.3. Measures to enhance the capacity of the physical investment management</b>	
<b>3.4. Consultation with the affected IPs on the draft IPP</b>	
<b>4. COST ESTIMATE AND FINANCING PLAN</b>	In form of table containing information about: type of activity, party in charge, timeline/milestones, cost, funding source, and remarks.
<b>5. INSTITUTIONAL ARRANGEMENT TO IMPLEMENT IPP</b>	<ul style="list-style-type: none"> <li>Agencies responsible for managing the implementation of the IPP</li> <li>Agencies responsible for reporting and monitoring on the implementation of the IPP</li> <li>Arrangements for monitoring of the implementation of the IPP by the affected IPs</li> </ul>
<b>6. GRIEVANCE REDRESS MECHANISM ACCESSIBLE TO THE AFFECTED IPs</b>	<ul style="list-style-type: none"> <li>Mechanism for managing grievances as suggested by the results of the social assessment results</li> </ul>
<b>7. PHYSICAL INVESTMENT MONITORING, EVALUATION, AND REPORTING OF IPP IMPLEMENTATION</b>	Includes arrangement for free, prior, and informed consultation with the affected IPs <ul style="list-style-type: none"> <li>Explaining the work plan for monitoring implementation of IPs and reporting mechanism.</li> <li>Monitoring on progress implementation of IPP</li> <li>Monitoring on process implementation of IPP</li> </ul>



Title of Chapter/Sub-Chapter	Content/Remarks
	<ul style="list-style-type: none"> <li>Reporting on implementation of (report to whom, which format to use, and deadline for submission of the report).</li> </ul>
<b>ATTACHMENT</b>	
	<p>Attach original or copy of documents as relevant to IPP, for example:</p> <ul style="list-style-type: none"> <li>Information about the Physical Investment Activity (Map)</li> <li>Table containing Baseline Data of IPs</li> <li>Minutes of Dissemination and Consultation Meetings</li> <li>Minutes of Agreement on Compensation Plan (if any) based on the consultations</li> <li>Other relevant documentation</li> </ul>

## APPENDIX 10

### PROJECT CATEGORIZATION BASED ON WORLD BANK OPERATIONAL POLICIES

<b>Screening #1: Project Categorization based on the Likely of Environmental and Social Impacts</b>		
Brief Description of Project	Please provide information on the type and scale of project (project area, area of required land, approximate size of total building floor areas, etc.):	
The Natural Environment	Please describe in general the condition of project area (land cover, existence of forest/natural vegetation, adjacent to protected areas, existence of water body – rivers, lake, coastal, rural/urban, closest settlement)	
Likely Impact on Environmental and Social	Do you think the project will have major/significant impact to the environmental and social (changes on landscape, clearing of natural vegetation, major engineering work – river diversion, dam, potential environmental contamination, the use of hazardous materials, potentially will displace people, existence of indigenous peoples- KepMenLH 05/2012 Annex 1 about screening criteria environmental and social impacts):	
Conclusion of Project Category (A/B/C/F1)		Please refer to the Annex 2: Project Categorization
<b>Screening #2: WB Safeguard Assessment</b>		
Based on Screening #2, do you think the project will need full ES impact assessment (Y/N)		If the answer is YES, OP/BP 4.01 Environmental Assessment is triggered
Are there any sensitive natural habitat (forest, riverine, coastal, peat land) areas or threatened species that could be adversely affected by the project? (Y/N)		If the answer is YES, OP/BP 4.04 Natural Habitat and OP/BP 4.36 Forest are triggered
Do you think that there are cultural or historical value in the project area and that the project will potentially affect its value and existence? (Y/N)		If the answer is YES, OP/BP 4.11 Physical Cultural Resources is triggered
Do you think that there is traditional community group (masyarakat adat/indigenous people) live and occupy certain territory within and around project area? (Y/N)		If the answer is YES, OP/BP 4.10 Indigenous Peoples is triggered
Does the project will potentially affect to the land and/or displace project affected people, and that involuntary resettlement will likely be occurred? (Y/N)		If the answer is YES, OP/BP 4.12 Involuntary Resettlement is triggered
Is the project located in the border of two states and that natural boundary (river, lake, shoreline) is used? (Y/N)		If the answer is YES, OP/BP 7.50 Projects on International Waterways is triggered
Does the project location clear and clean (no disputes, no outstanding/unsolved claim on the land, land has more than one owners)? (Y/N)		If the answer is YES, OP/BP 7.60 Projects in Disputed Areas is triggered
Will the project affect farmers in using pesticide? Or does the project potentially will have an impact on occurrence of agriculture		If the answer is YES, OP/BP 4.09 Pest Management is triggered

pest/diseases (e.g., monoculture plant)? (Y/N)			
Does the project involve small dam/large dam, dam extension construction? (Y/N)			If the answer is YES, OP/BP 4.37 Safety of Dam is triggered
Summary of Applicable WB SG (X) For completed list of WB Safeguard Policies, please see Annex 3: World Bank Safeguard Policies		OP/BP 4.01 Environmental Assessment	
		OP/BP 4.04 Natural Habitat	
		OP/BP 4.10 Indigenous Peoples	
		OP/BP 4.11 Physical Cultural Resources	
		OP/BP 4.36 Forest	
		OP/BP 4.37 Safety of Dam	
		OP/BP 4.12 Involuntary Resettlement	
		OP/BP 7.50 Project on International Waterways	

## APPENDIX 11 FORMAT FOR RECORDING THE RESULT OF SCREENING

A. PROJECT ACTIVITY PLAN	
1. Name of Project Activity	.....
2. Length of Road	..... km
3. Width of Road	
a. Existing width	a. .... m
b. Planned width	b. .... m
c. Existing surface	c. .... m
d. Planned surface	d. .... m
4. Location	
a. City	a. ....
b. District	b. ....
c. Province	c. ....
5. Road Status	National/Province/District/City
6. City Status	Metropolitan/Big/Medium/Small
7. Project Type	Construction/Maintenance
8. Land Acquisition Size and Estimated Number of Project-Affected Persons	..... Ha .....PAPs
9. Average Traffic Flow	
a. Existing	a. .... Vehicles/day
b. Planned	b. .... Vehicles/day
10. Project Status	Pre-feasibility study/Feasibility study
B. RESULT OF ENVIRONMENTAL SCREENING ON PROTECTED AREA AND OTHER SENSITIVE AREAS	
1. Type of Land Use	
a. Type / name of the protected area	a. ....
b. Location of the road in protected areas	b. Pass through/share boundary with/close to/far from..
2. Other Environmental Components that are sensitive to changes (if any)	IPs / Vulnerable peoples/ Dense Settlement / Commercial Area / Cultural Heritage Area / Steep terrain
3. Physiographic conditions of land:	
a. Steep terrain (> 40%)	1. .... km
b. Unstable land	2. .... km
c. Other information	3. .... (please mention)
4. Evaluation of Major Impacts	Major/Minor
5. Bank safeguards policies triggered	Specific requirements that must be addressed in AMDAL or UKL/UPL to comply with triggered policies.
C. CONCLUSIONS (please select one)	
1. Must have AMDAL <sup>70</sup>	Rationale: .....
2. Must have UKL/UPL	Rationale: .....
3. Needs LARAP	Rationale: .....
4. No AMDAL or UKL and UPL needed (only requires SOP)	Rationale: .....
a. BUDGET ESTIMATE FOR STUDY OF UKL/UPL, SOP, LARAP	Rp.....

<sup>70</sup> Not eligible for financing

## APPENDIX 12

### DOCUMENTATION FOR PUBLIC CONSULTATION FOR TOR AND DRAFT ESMF (MINUTES, ATTENDANCE LIST AND PHOTOS)

<b>Common Key Issues</b>	<ol style="list-style-type: none"> <li>1. <b>Environmental issues and natural habitats.</b> The overall effects of ecosystem disturbance and environmental problems due to extensive tourism activities will lead to food/water/energy crisis if not well-managed and may lead to disaster when exposed to the impacts of climate change. This will affect mostly on lake and coastal communities. Natural habitats in Toba and in Lombok, including coastal and beach areas need to be considered in the ITMPs preparation.</li> <li>2. <b>Basic infrastructure, lack of sanitation facilities and low quality of waste management.</b> Access improvement to tourist villages. Example on sanitation issues, Mount Rinjani in Lombok is known as mount of trash, due to irresponsible tourists. Lack of sanitation facilities for locals and tourists is due to low awareness of locals on sanitation as well as weak capacity of local government to manage and operate.</li> <li>3. <b>Land issues, use and land transaction.</b> <ol style="list-style-type: none"> <li>a. The dilemma between investors' preference to build on lake (case of Toba Lake) or farms (case of Borobudur) and the spatial regulations on land use. Currently, there have been many violation of local spatial plans/regulation, particularly by hotel and restaurant buildings around Toba Lake and Borobudur.</li> <li>b. Large corporate investors bought land and owners/local communities lost their land, conversion from agricultural land to tourism-related businesses (i.e. case of Toba Lake and Borobudur)</li> </ol> </li> <li>4. <b>Lack of appreciation towards Cultural Heritage, local traditions, community empowerment and participation, local economic development</b> <ol style="list-style-type: none"> <li>a. <b>Lack of self-appreciation</b> to local community's own heritage, local wisdom, and traditions (e.g. shift of design of houses, clothing, use of musical instruments).</li> <li>b. <b>Tourist behavior towards cultural heritage and local traditions</b>, such as those in Borobudur Temple and Gili Trawangan Island, Lombok, which has turned into a "party-oriented island", may cause negative impacts in a long term and should be anticipated.</li> <li>c. <b>Local communities and villages</b> should be empowered and given opportunities to participate and benefits from tourism development; need capacity strengthening, access to tourism activities; village-based and community-based tourism development (such as in Lombok and Borobudur destinations).</li> </ol> </li> <li>5. <b>Importance roles of local governments</b> to facilitate village-based and community-based tourism; consistently enforce regulations on spatial development and land use zoning to prevent uncontrolled development caused by the tourism-related businesses.</li> <li>6. <b>Process of preparation and implementation of ITMPs</b> should involve all stakeholders in the destination areas.</li> </ol>
<b>Common Proposed Actions</b>	<ol style="list-style-type: none"> <li>1. <b>Capacity building</b> for local communities to ensure their engagement in the system, prevent loss of asset &amp; livelihood opportunities, and to preserve local cultural heritage as their identity.</li> <li>2. <b>Explore various possible scheme of land transaction between investors and local communities, and formulate/enforce land use regulation</b> that is unique for each destination.</li> <li>3. <b>Mapping of community tourism/sustainable tourism models from existing practices.</b> Several good practices mentioned during the public consultations are: (i) community-based land management for tourism in the 40 Desa Wisata) which are developed and managed by indigenous peoples in Kabupaten Lombok Timur. The model was adopted in the formulation of the Governor's Regulation on the Standardization of Desa Wisata; (ii) mitigating social impact of tourism by the Sustainable Tourism Organization Program in five locations, some of which are in West Nusa Tenggara and Sleman; (iii) inclusive Tourism Development and Community Empowerment in a Vietnamese village, where many physically-challenged war-victims live. They have art skills and are assisted by the government with good marketing facilities (e.g. showroom). Taking clients to this village is obligatory for tourist operators; (iv) waste management, including waste-recycling activities, and high sanitation standard of hotels in Toraja, South Sulawesi.</li> </ol>

	<p><b>4. Various ideas for the project</b>, such as: (i) alternative concept of accommodation besides homestay; (ii) development of internet-based villages, e.g. villages with free-wifi access and all information on the tourism destination to be readily accessible through internet; (iii) local regulation on standard of Desa Wisata (Tourism-based Villages); (iv) developing disabled-friendly tourism area; (v) mapping existing homestays (e.g. around Borobudur) in order to create action plan in enhancing the quality and identifying supporting infrastructure</p>			
	<b>Public Consultation in Medan</b>	<b>Public Consultation in Mataram</b>	<b>Public Consultation in Yogyakarta</b>	<b>Public Consultation in Jakarta</b>
<b>Key Issues</b>	<p><b>1. Ecosystem Disturbance and Environmental Degradation.</b> Development projects rarely consider and accommodate the interests of surrounding wildlife population. As a result, there have been many animals lost their habitats and prone to extinction. For example, the habitat of lions on the west side of Toba Lake and the lake's aquatic ecosystems. In addition, the quality of water and environment decreased, and the damage is almost irreversible. The North Sumatera authorities have not yet adopted any relevant Environmental Regulations.</p> <p><b>2. Land use "Conservation Area" restriction dilemma.</b> In Toba Lake, due to the Dairi Regency's restriction of activities up to 200 meters from the lake side and set it as conservation areas, many investors are reluctant to invest, because they want to build and create activities on the lake.</p> <p><b>3. Land transactions.</b> Land speculators have caused significant increase of land price. The authority board also buys and sells land. As a</p>	<p><b>1. Environmental degradation, food, water and energy crisis from extensive tourism activities and effect of climate change</b> must be anticipated.</p> <p><b>2. Waste generation</b> from tourism activities.</p> <p><b>3. Disturbance to local communities' original life/culture and assimilation to foreign culture.</b> Local activities, including "organic tourism activities" by local communities might already exist, and <b>new intervention might just disrupt them instead of adding value</b>, e.g. when the local government intervened Gili Trawangan.</p> <p><b>4. Privatization of Public Spaces &amp; Lack of Linkage with Local Economic Activities.</b> Learning from the case of Nusa Dua and other parts of Bali, the coastal areas in Lombok Island and Toba Lake should be managed carefully in order to prevent privatization of public spaces, particularly by hotels. This is due to lack of linkage with local economic activities and lack of engagement of local communities.</p> <p><b>5. Dealing with unclear land ownership status</b> (e.g. "lahan tidur" and informal settlements).</p> <p><b>6. Financing safeguards instrument</b> such as AMDAL and</p>	<p><b>1. Conservation of Cultural Heritage vs. loads of local and foreign visitors.</b> Some visitors, mostly domestic tourists, had also damaged the relief of the temple.</p> <p><b>2. Building without Permits and Violation of Spatial Plans</b> In Borobudur, there are hotels built on ancient paths of river and inside protected/heritage areas.</p> <p><b>3. Low accessibility</b> to the destination, because of traffic jam and not much alternatives.</p> <p><b>4. Land transaction.</b> Large corporate investors buy land with high price and evicted local communities. Many activities of buy-and-sell of land by speculators and local communities are not involved. Informal land transaction with foreigners, whom by law are not allowed to own land in Indonesia, happens, and is beyond control of local government. It is even more difficult for government to acquire land for development if the lands are owned by investor (not by local communities).</p> <p><b>5. There is a growing concern that local communities with lack of capacity or non-skilled in tourism activities will be</b></p>	<p><b>1. Development projects rarely consider and accommodate the interests of surrounding wildlife population.</b> In results, there have been many animals lost their habitats and prone to extinction. For example, the habitat of lions on the west side of Toba Lake.</p> <p><b>2. Lack of good sanitation facilities and operations and lack of good waste management.</b> This is worsened by bad behavior of local tourists.</p> <p><b>3. Land availability for tourism development.</b> Infrastructure development is often hampered by land acquisition process and in a long term may lead to the growth of informal settlement which can complicates the issue. In addition to that, land availability for development of new infrastructure or tourism facilities may also be a critical issue, therefore the government needs to explore the possibility of adopting land banking concept.</p> <p><b>4. Privatization of Public Spaces &amp; Lack of Linkage with Local Economic Activities.</b> Learning from the case of Nusa Dua and other parts of Bali, the coastal areas in Lombok Island and Toba Lake should be managed carefully in order to prevent privatization of public spaces, particularly by hotels. There should be a good linkage with local economic activities.</p>



	<p>consequence, large corporate investors buy the land and evicted the local communities.</p> <ol style="list-style-type: none"> <li><b>IPs have their own governance system</b>, how to ensure that the plans &amp; implementation are not conflicting with their system?</li> <li><b>Lack of self-appreciation</b> to local community's own heritage, local wisdom, and traditions (e.g. shift of design of houses, clothing, use of musical instruments)</li> <li><b>Tourist Scams</b> which hinder tourists to revisit Toba Lake</li> <li><b>Infrastructure.</b> Bad connectivity between Medan and Toba Lake, and lack of sanitation facilities.</li> </ol>	<p>financing land acquisition for large scale development.</p>	<p>pushed away by the system and cause social problems.</p> <ol style="list-style-type: none"> <li><b>Presidential Regulation No. 58/2014 that regulates spatial plan of Kabupaten Magelang (as a national strategic area) at some point is too detailed and unapplicable</b>, e.g. the floor area ratio and land to building ratio are too small that hinders the investors. In fact, there are many buildings that were already built in the area which do not comply the Presidential Regulation.</li> <li><b>Investor's preference to build tourism activities</b> on farming area vs. local government that defends the current land use.</li> </ol>	
<b>Proposed Actions</b>	<ol style="list-style-type: none"> <li><b>Capacity Building</b>, particularly on geopark and environmental conservation, various schemes of land acquisition, land transactions, cultural heritage preservation, institutions within IPs/local traditional communities, language and communication skills, and behavior towards visitors.</li> <li><b>Tourism Master Plan should consider local wisdom and be aligned with USU University's</b> heritage trail and master plan of 15 geo sites which are located around Lake Toba. The selection of priority kecamatan should also consider these geo sites/parks.</li> </ol>	<ol style="list-style-type: none"> <li><b>Capacity Building</b>, particularly on preserving local culture and its values, empowering women, opportunities from tourism development activities, environmental conservation, waste management, self-sustained life, making profits from land owned and its management,</li> <li>Community-based waste management and providing special Final Disposal Facilities for the south of Lombok.</li> <li>Engage minorities, women, and the disabled throughout the tourism development.</li> <li>Exploring alternative concept of accommodation to homestay, e.g. water-based stay, wood-based stay, or cave-based stay</li> <li><b>Creating/Reserving Space for Public and Private Use.</b> The</li> </ol>	<ol style="list-style-type: none"> <li><b>Capacity Building</b>, particularly on cultural heritage preservation, visitor management plan, education on waste management, local plantations, local foods and produce, homestay design, hospitality, and economic opportunities of tourism industry.</li> <li><b>Multi-stakeholder collaboration for sanitation management of the area.</b></li> <li><b>Special regulation on land transaction, land use and land ownership for Borobudur Area that brings more advantage to the environment and to the local communities should be adopted</b>, so that local communities can still have their assets throughout the</li> </ol>	<ol style="list-style-type: none"> <li><b>Socio-cultural mapping and analysis needs to be conducted.</b> It will be useful to understand the strength/dominance of tribes and clans (e.g. in Toba), local potentials and initiatives, local rules, to further discuss how they should be considered in the tourism plan. The mapping will also be used to ensure inclusive tourism planning and development</li> <li><b>Habitat Conservation, Low-Carbon Development and Disaster Risk Management.</b> The approval of new building development should be only applied to eco-friendly building with good water infiltration. Infrastructure development should apply eco-road and eco-construction which ensure the safety of wildlife and existing habitats. The project should also avoid constructions which can</li> </ol>

	<p><b>3. Applying incentive and disincentives of environmental protection.</b> In addition, community waste banks could be developed.</p> <p><b>4. Inventory of data and regulations related to spatial plan</b> on lake areas.</p> <p><b>5. Sanitation and waste management quality should be enhanced</b> by identifying related stakeholders and possible solutions regarding the financing, as well as exploring the possibility of management by the Badan Otorita and develop community waste banks.</p> <p><b>6. Formulating community regulations on land transactions.</b> Any land transaction with investor should be assisted by local government, particularly BPN.</p> <p><b>7. Engagement of IPs/traditional communities</b> throughout the planning and implementation of tourism development activities.</p>	<p>tourism activities should accommodate the needs of space and should be designed according to the function required for use of both locals and tourists (i.e. public), or those limited only for local communities (i.e. private space for sacred traditional ceremony).</p> <p><b>6. Encouraging the formulation of Community Plan</b> to determine actions which can be done by community and which to be done by other parties, e.g. local government.</p> <p><b>7. Creating strategy to share profit with land owner</b> (i.e. local communities) to prevent them from selling their land.</p> <p><b>8. Standards of Desa Wisata</b></p>	<p>development of Borobudur tourism area.</p> <p><b>4. The Presidential Regulation No. 58/2014 needs to be reviewed and a regulation that bridges the Presidential Regulation No. 58/2014 with the realistic condition of the buildings around Borobudur</b> needs to be formulated.</p>	<p>degrade the environment. Local communities and tourists' awareness on ecosystem preservation should be raised. Communications between stakeholders related to habitat conservation, low-carbon development and disaster risk management should be done early, including engaging ecologist to facilitate design process.</p> <p><b>3. Operations and management</b> of an investment after the construction needs to be planned.</p> <p><b>4. Capacity building</b> to empower local communities, including the disabilities, to support their livelihoods and engagement in tourism development activities. <b>Provide certification for various skills that support tourism activities.</b></p> <p><b>5. Review regulations on land and explore various possible schemes of collaboration</b> between local communities as land owner and third parties as investor/manager of tourism activities.</p> <p><b>6. Other things to be Included in the ESSA/ESMF:</b> (i) Disaster risk management aspects; (ii) Peraturan Presiden No. 13 Tahun 2012 tentang Rencana Tata Ruang Pulau Sumatera ; (iii) Kabupaten Pakpak Bharat in the delineation of Toba Lake Destination (currently only 7 city/regency), since this regency provides water resource for the rest of the city/regency; (iv) On powersharing of local government (each role and significance) in the tourism program implementation;</p>
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				<p>details on local institutions at the village level, including their activities which can support the accomplishment of Result 2</p> <p><b>7. Making the existence of village-level cooperatives and institutions as one of the indicators</b> need to be considered.</p>
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## ATTENDANCE LIST

## 1) Jakarta and Magelang, Borobudur

Attendance List Participants Public consultation on Tor of Environment Social Management Framework 3 April 2017 Ambhara Hotel Jakarta						
No	Nama	Direktorat	Instansi	No Telephone	Email	Sign
1	JB. H. W. S.	BLH KLHK	Kementerian Lingkungan Hidup dan Kehutanan	08129961233		
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4			Kementerian Lingkungan Hidup dan Kehutanan			
5			Kementerian Lingkungan Hidup dan Kehutanan			
6			Kementerian Lingkungan Hidup dan Kehutanan			
7			Kementerian Agraria dan Tata Ruang / BPN			
8	Johan Fawzi	Pengaduan Tumbuh	Kementerian Agraria dan Tata Ruang/ Badan Pertanahan Nasional	08777487880	zohunfawzi@gmail.com	
9	Dyah M	Dit. KK KLHK	Kementerian Lingkungan Hidup dan Kehutanan	0816900400	dyah_murkegala.com	
10			Kementerian Agraria dan Tata Ruang/ Badan Pertanahan Nasional			

Attendance List Participants Public consultation on Tor of Environment Social Management Framework 3 April 2017 Ambhara Hotel Jakarta						
No	Nama	Direktorat	Instansi	No Telephone	Email	Sign
11	Liza Soraya	Dit. Dal	Kementerian Agraria dan Tata Ruang/ Badan Pertanahan Nasional	0811910208	fza.tapan@idoud.com	
12	Seti Kuncoro	Bangeto Wal-I	Kementerian Agraria dan Tata Ruang/ Badan Pertanahan Nasional	0852610882		
13	Pratiwi P. P. J.	Sengko ARC II	Kementerian Agraria dan Tata Ruang/ Badan Pertanahan Nasional	081284912007		
14			Kementerian Agraria dan Tata Ruang/ Badan Pertanahan Nasional			
15	Subhand	Dit. SUPD III	Kementerian Dalam Negeri	08129679565		
16	Fico F.K	Dit. SUPD II	Kementerian Dalam Negeri	08529602096		
17	Agus Widiarta	Dit. Depdik	Kementerian Pendidikan dan Kebudayaan	081219799602		
18			Kementerian Pendidikan dan Kebudayaan			
19			Kementerian Pariwisata			
20	Indri Wahyu Susanto	Aspek Litbang	Kementerian Pariwisata	08151851140	indri.w.s@gmail.com	

Attendance List Participants Public consultation on Tor of Environment Social Management Framework 3 April 2017 Ambhara Hotel Jakarta						
No	Nama	Direktorat	Instansi	No Telephone	Email	Sign
21			Kementerian Pariwisata			
22			Kementerian Pariwisata			
23	Ahmad	Asesoris Keagamaan & Kary.	Kementerian Negara Pemberdayaan Perempuan dan Perlindungan Anak	08138197366	rahmadulhuda@gmail.com	
24	Dani R	Dit. PTIK	Kementerian Perencanaan Pembangunan Nasional/ Badan Perencanaan Pembangunan Nasional	08128518310		
25			Kementerian Perencanaan Pembangunan Nasional/ Badan Perencanaan Pembangunan Nasional			
26			Aliansi Masyarakat Adat Nusantara (AMAN)			
27			Greenpeace Indonesia			
28			WALHI (Wahana Lingkungan Hidup Indonesia)			
29			INDECON (Indonesia Ecotourism Network)			
30	Parid Ridwanuddin	Deputi Advokasi Hukum dan Kebijakan	KIARA (Koalisi Rakyat untuk Keadilan Perikanan)	021 7994888 085717337640	pridwanuddin@gmail.com	

Attendance List Participants Public consultation on Tor of Environment Social Management Framework 3 April 2017 Ambhara Hotel Jakarta						
No	Nama	Direktorat	Instansi	No Telephone	Email	Sign
31			WWF Indonesia			
32			Yayasan KEHATI (Keanekaragaman Hayati Indonesia)			
33			Fakultas Kehutanan – Institut Pertanian Bogor			
34			Teknik Lingkungan – Universitas Indonesia			
35			Fakultas Arsitektur Lansekap dan Teknologi Lingkungan, Universitas Trisakti			
36	Arif F. Rachman		Sekolah Tinggi Pariwisata Trisakti	0811-1928780	arif@supartrisakti.ac.id	
37	Herky Hermanto Priscilla		Badan Pelestarian Pusaka Indonesia (BPP)	0811961351	herkyhermanto@gmail.com	
38	M. TAPDHILA E.A.	BPIW (AUSTRA 1)	Kementerian Pekerjaan Umum dan Perumahan Rakyat	08569486388	infahlaelakmen@gmail.com	
39	Datin Ar Fisyah	BPIW - P3	Kementerian Pekerjaan Umum dan Perumahan Rakyat	08121441411	datinartfisyah@gmail.com	
40	Gitasari Dzais	BPIW - P3	Kementerian Pekerjaan Umum dan Perumahan Rakyat	08788561846	gitasari.dzais@gmail.com	

Attendance List Participants Public consultation on Tor of Environment Social Management Framework 3 April 2017 Ambhara Hotel Jakarta						
No	Nama	Direktorat	Instansi	No Telephone	Email	Sign
41	Dewine E. S	BPIW - P3	Kementerian Pekerjaan Umum dan Perumahan Rakyat	08783362630		
42	M. TAPDHILA EL	BPIW - P3	Kementerian Pekerjaan Umum dan Perumahan Rakyat	08569486388		
43	Hugo	BPIW - P3	Kementerian Pekerjaan Umum dan Perumahan Rakyat	08780744844		
44	Putri Diah Palupi	BPIW - P3	Kementerian Pekerjaan Umum dan Perumahan Rakyat	08580460000		
45	Kiofane Widya	BPIW - P3	Kementerian Pekerjaan Umum dan Perumahan Rakyat	081291083668		
46	BEATINE	-	World Bank	-	BEATINE@worldbank.org	
47	IDH Ayu INDIRA	-	World Bank	-	indira@worldbank.org	
48	Vira S.	-	World Bank	-	svirah@worldbank.org	
49	Surioni	-	World Bank	-	surioni@worldbank.org	
50			World Bank			

Attendance List Participants Public consultation on Tor of Environment Social Management Framework 3 April 2017 Ambhara Hotel Jakarta						
No	Nama	Direktorat	Instansi	No Telephone	Email	Sign
51	Dessy A	Sengketa & Konflik Tanah dan Ruang II	ATR / BPN	08129948730	desa.jng@yahoo.com	
52	Andhika CA	Dit. KK KLHK	KLHK	082113629898	andhikachandra@gmail.com	
53	Tikih Fathimah	Jur. Arsitektur LRT	Jur. Arsitektur - UNTAR	0810383009	tihi.fathimah@untar.ac.id	
54	Priscilla Erlangga		Jur. Arsitektur - UNTAR	08784529135	priscillaerlangga@untar.ac.id	
55	SUHADI	BPP		08129017000	suhadisuhadi@gmail.com	
56	Annisa Rani P.	Rsat 3 BPIW RRT		0811943848	sitterp3.rpf1@gmail.com	
57	Athyat Faradil	Pusat 3	PU	08101090885	lazi@pu@gmail.com	
58	Hadi Sucahyono	Pusat 3 BPIW	Kemen PUPR	08138598858	hadisucahyono@gmail.com	
59						
60						



## 2. (Lake Toba)

Attendance List Participants Public consultation on Top of Environment Social Management Framework 18 April 2017 Irena Parapat Hotel Medan Sumatera Utara						
No	Name	Address	Interest	No Telephone	Email	Sign
1			Dinas Perikanan dan Kelautan Sumatera Utara			
2			Badan Penanaman Pondsugunan Daerah Provinsi Sumatera Utara			
3	Brick, D.	She UPT. PERSDI	Badan Pengawasan Hilir Perikanan Sumatera Utara	0813-614184		
4			Badan Penanaman Pondsugunan Daerah Kabupaten Deli			
5			Dinas Kelautan dan Perikanan Kota			
6			Dinas Kelautan dan Perikanan Kabupaten Deli			
7			Dinas Sosial dan Tenaga Kerja Kabupaten Deli			
8			Badan Perencanaan Pembangunan Daerah Kabupaten Deli			
9	Rizkiyati N. N. N. N.	Perumahan Sinar A. P. P. P.	Badan Perencanaan Pembangunan Daerah Kabupaten Deli	0813-614184		
10	H. H. H. H. H. H.	Kantor A. P. P. P. P. P.	Dinas Sosial Kabupaten Deli	0813-614184		

Attendance List Participants Public consultation on Top of Environment Social Management Framework 18 April 2017 Irena Parapat Hotel Medan Sumatera Utara						
No	Name	Address	Interest	No Telephone	Email	Sign
11	Andri Satrio	Perumahan Sinar A. P. P. P.	Dinas Perikanan dan Kelautan Sumatera Utara	0813-614184		
12	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Provinsi Sumatera Utara	0813-614184		
13	Rodri Satrio	Kantor A. P. P. P. P. P.	Dinas Kelautan dan Perikanan Kota	0813-614184		
14	Melvin Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
15			Dinas Kelautan dan Perikanan Kota			
16	Minda Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
17			Dinas Sosial dan Tenaga Kerja Kabupaten Deli			
18			Badan Perencanaan Pembangunan Daerah Kabupaten Deli			
19			Dinas Kelautan dan Perikanan Kota			
20			Dinas Kelautan dan Perikanan Kabupaten Deli			

Attendance List Participants Public consultation on Top of Environment Social Management Framework 18 April 2017 Irena Parapat Hotel Medan Sumatera Utara						
No	Name	Address	Interest	No Telephone	Email	Sign
21			Dinas Kelautan dan Perikanan Kota			
22	A. K. K. K. K.	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Provinsi Sumatera Utara	0813-614184		
23			Badan Penanaman Pondsugunan Daerah Kabupaten Deli			
24	Harman Satrio	Kantor A. P. P. P. P. P.	Dinas Kelautan dan Perikanan Kota	0813-614184		
25	Denny Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
26			Dinas Kelautan dan Perikanan Kota			
27			Dinas Sosial dan Tenaga Kerja Kabupaten Deli			
28	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
29			Dinas Kelautan dan Perikanan Kota			
30			Dinas Kelautan dan Perikanan Kabupaten Deli			

Attendance List Participants Public consultation on Top of Environment Social Management Framework 18 April 2017 Irena Parapat Hotel Medan Sumatera Utara						
No	Name	Address	Interest	No Telephone	Email	Sign
31			Badan Penanaman Pondsugunan Daerah Provinsi Sumatera Utara			
32			Dinas Kelautan dan Perikanan Kota			
33			Dinas Kelautan dan Perikanan Kabupaten Deli			
34	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
35			Dinas Sosial dan Tenaga Kerja Kabupaten Deli			
36			Badan Perencanaan Pembangunan Daerah Kabupaten Deli			
37			Dinas Kelautan dan Perikanan Kota			
38			Dinas Kelautan dan Perikanan Kabupaten Deli			
39			Dinas Kelautan dan Perikanan Kota			
40			Dinas Kelautan dan Perikanan Kabupaten Deli			

Attendance List Participants Public consultation on Top of Environment Social Management Framework 18 April 2017 Irena Parapat Hotel Medan Sumatera Utara						
No	Name	Address	Interest	No Telephone	Email	Sign
41			Dinas Kelautan dan Perikanan Kota			
42	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
43			Dinas Kelautan dan Perikanan Kota			
44	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
45			Dinas Kelautan dan Perikanan Kota			
46	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
47			Dinas Kelautan dan Perikanan Kota			
48	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
49			Dinas Kelautan dan Perikanan Kota			
50	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		

Attendance List Participants Public consultation on Top of Environment Social Management Framework 18 April 2017 Irena Parapat Hotel Medan Sumatera Utara						
No	Name	Address	Interest	No Telephone	Email	Sign
51			Dinas Kelautan dan Perikanan Kota			
52	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
53			Dinas Kelautan dan Perikanan Kota			
54	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
55			Dinas Kelautan dan Perikanan Kota			
56	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
57			Dinas Kelautan dan Perikanan Kota			
58	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		
59			Dinas Kelautan dan Perikanan Kota			
60	Harman Satrio	Kantor A. P. P. P. P. P.	Badan Penanaman Pondsugunan Daerah Kabupaten Deli	0813-614184		

## 3.(Sengigi, Lombok)

Attendance List

Pembahasan Kerangka Acuan Kerja Environmental and Social Management Framework sebagai Keagenan Dukungan  
Tahap Program Pengembangan Partisipasi Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Kila Sengigi Beach - Lombok, 12 April 2017

NO	NAME	POSITION	INSTITUTION	E-MAIL	NO HP	SIGN
1	Kiki Sengigi	Pasi Pasi	Perum Pasi Pasi		0812644450	[Signature]
2	Korini	Staf	Kantor Camat		0812644450	[Signature]
3	Ulfahyati Idris	Ketua Komunitas	Arstian	ulfahtyati@gmail.com	0812644450	[Signature]
4	Muhammad	Perencana	Perencanaan Wilayah & Kota	muhammad@pwlk.com	0812644450	[Signature]
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6	A.H. Mublis	Kep. Bina. Kota NTB	Prov. NTB	amublis@gmail.com	0812644450	[Signature]
7	Astin Mublis	Staf Bina. Kota NTB	Prov. NTB	astin.mublis@gmail.com	0812644450	[Signature]
8	A. Mublis	Staf Bina. Kota NTB	Prov. NTB		0812644450	[Signature]
9	C. Mublis	Staf Bina. Kota NTB	Prov. NTB		0812644450	[Signature]

Attendance List

Pembahasan Kerangka Acuan Kerja Environmental and Social Management Framework sebagai Keagenan Dukungan  
Tahap Program Pengembangan Partisipasi Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Kila Sengigi Beach - Lombok, 12 April 2017

NO	NAME	POSITION	INSTITUTION	E-MAIL	NO HP	SIGN
10	Defina	PS - Bina. Kota	PUR	defina@pwlk.com	0812644450	[Signature]
11	M. Yusuf R.A.	PS - Bina. Kota	PUR	yusufra@gmail.com	0812644450	[Signature]
12	Lahman - Dhas	PS - Bina. Kota	PUR	lahman.dhas@gmail.com	0812644450	[Signature]
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14	George F. Mublis	PS - Bina. Kota	PUR	georgef.mublis@gmail.com	0812644450	[Signature]
15	Korini	PS - Bina. Kota	PUR		0812644450	[Signature]
16						
17						

Attendance List

Pembahasan Kerangka Acuan Kerja Environmental and Social Management Framework sebagai Keagenan Dukungan  
Tahap Program Pengembangan Partisipasi Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Kila Sengigi Beach - Lombok, 12 April 2017

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12	Dina E. Mublis	PS - Bina. Kota	PUR	dinaemublis@gmail.com	0812644450	[Signature]
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14	L. PRIMA W.P.	Ketua Bina. Kota	NTB - NTB	primawp@gmail.com	0812644450	[Signature]
15	L. PRIMA W.P.	Ketua Bina. Kota	NTB - NTB	primawp@gmail.com	0812644450	[Signature]
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18	Dian Triast	PS - Bina. Kota	PUR	diantriast@gmail.com	0812644450	[Signature]

Attendance List

Pembahasan Kerangka Acuan Kerja Environmental and Social Management Framework sebagai Keagenan Dukungan  
Tahap Program Pengembangan Partisipasi Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Kila Sengigi Beach - Lombok, 12 April 2017

NO	NAME	POSITION	INSTITUTION	E-MAIL	NO HP	SIGN
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12	I. R. A. H.	PS - Bina. Kota	PUR	irah@gmail.com	0812644450	[Signature]
13	I. R. A. H.	PS - Bina. Kota	PUR	irah@gmail.com	0812644450	[Signature]
14	I. R. A. H.	PS - Bina. Kota	PUR	irah@gmail.com	0812644450	[Signature]
15	I. R. A. H.	PS - Bina. Kota	PUR	irah@gmail.com	0812644450	[Signature]
16	I. R. A. H.	PS - Bina. Kota	PUR	irah@gmail.com	0812644450	[Signature]
17	I. R. A. H.	PS - Bina. Kota	PUR	irah@gmail.com	0812644450	[Signature]
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B) Photographs  
(Magelang, Borobudur)



(Lake Toba)

(Sengigi, Lombok)



## C) Invitation list public consultation of the draft ESMF

## 1) Jakarta



Nomor : UM.02.C6-W4/65  
 Lampiran : 1 (satu) berkas  
 Perihal : Pembahasan Draft Dokumen Pengelolaan Lingkungan dan Sosial (ESMF) dan Dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Jakarta, 3 Juli 2017

Kepada Yth.  
 (terlampir)  
 Di  
 Tempat

Dalam rangka mendukung Perpres No. 2 Tahun 2015 tentang RPJMN 2015 – 2019 untuk meningkatkan kunjungan pariwisata Indonesia menjadi 20 juta kunjungan pada tahun 2019, saat ini dilaksanakan pembangunan pariwisata Indonesia yang salah satu sumber pendanaannya akan didukung melalui pinjaman luar negeri (Bank Dunia). Pinjaman tersebut akan dilaksanakan dengan mekanisme *hybrid* antara PforR (Program for Result) dan IPF (Investment Project Financing).

Untuk mendukung hal dimaksud, Badan Pengembangan Infrastruktur Wilayah (BPIW), Kementerian PUPR menyusun dokumen *Environmental and Social Management Framework* (ESMF) sebagai bagian dari komponen IPF; adapun Bank Dunia menyusun dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai komponen dari PforR.

Terkait hal dimaksud, BPIW dan Bank Dunia sebelumnya telah mengadakan Rapat Pembahasan Kerangka Acuan Kerja ESMF di Jakarta (3 April 2017), Kabupaten Magelang (6 April 2017), Kabupaten Simalungun (10 April 2017) dan Kabupaten Lombok Barat (12 April 2017).

Untuk menindaklanjuti kegiatan tersebut di atas serta menyempurnakan dokumen ESMF dan ESSA, kami mengundang Bapak/Ibu untuk hadir dalam Pembahasan Draft Dokumen ESMF dan ESSA sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Pulau Lombok, KSPN Danau Toba dan KSPN Borobudur dan sekitarnya, yang akan diselenggarakan pada:

Hari/Tanggal : Rabu, 19 Juli 2017  
 Waktu : Pukul 08.30 – 16.00 WIB  
 Tempat : Hotel Ambhara  
 Jl. Iskandarsyah Raya No.1, Melawai, Kebayoran Baru, Jakarta Selatan - 12160  
 Agenda : Terlampir

Perlu kami sampaikan bahwa draft ESMF dan draft ESSA dapat diakses di website kami, [www.bpiw.go.id](http://www.bpiw.go.id). Adapun Biaya rapat (*Full Day*) peserta selama acara berlangsung ditanggung oleh pihak penyelenggara, sedangkan transportasi dan akomodasi (penginapan) ditanggung oleh masing-masing unit kerja peserta. Untuk konfirmasi kehadiran dapat dilakukan dengan menghubungi atau melalui fax di nomor telepon (021) 27513546 dan email ke [esmfbpiw@gmail.com](mailto:esmfbpiw@gmail.com).

Demikian kami sampaikan, atas perhatian dan kerjasamanya yang diberikan, kami ucapkan terima kasih.

Kepala Pusat Pengembangan Kawasan Strategis

Ir. Hadi Sutahyono, WPP, M.Sc, Ph.D  
 NIP: 110040673



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Lampiran Surat No. : UM.02.C6-W4/65  
 Tanggal : 3 Juli 2017

#### Daftar Undangan

Rapat Pembahasan Draft Dokumen Pengelolaan Lingkungan dan Sosial (ESMF) dan Dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

- I. **Kementerian Koordinator Bidang Kemaritiman**
  1. Deputi Bidang Koordinasi Sumber Daya Alam dan Jasa
  2. Deputi Bidang Koordinasi Sumber Daya Manusia, Ilmu Pengetahuan dan Teknologi, dan Budaya Maritim
- II. **Kementerian Koordinator Bidang Pembangunan Manusia dan Kebudayaan**
  1. Asisten Deputi Warisan Budaya, Deputi Bidang Koordinasi Kebudayaan
- III. **Kementerian Perencanaan Pembangunan Nasional/Bappenas**
  1. Direktur Lingkungan Hidup, Deputi Bidang Kemaritiman dan Sumber Daya Alam
  2. Direktur Pendidikan Tinggi, Iptek dan Kebudayaan, Deputi Bidang Pembangunan Manusia, Masyarakat, dan Kebudayaan
- IV. **Kementerian Lingkungan Hidup dan Kehutanan**
  1. Direktorat Penyelesaian Sengketa Lingkungan Hidup, Direktorat Jenderal Penegakan Hukum Lingkungan Hidup dan Kehutanan
  2. Direktorat Penanganan Konflik, Tenurial, dan Hutan Adat, Direktorat Jenderal Perhutanan Sosial dan Kemitraan Lingkungan
  3. Direktorat Kawasan Konservasi, Direktorat Jenderal Perhutanan Sosial dan Kemitraan Lingkungan
  4. Direktorat Pencegahan Dampak Lingkungan Usaha dan Kegiatan, Direktorat Jenderal Planologi Kehutanan dan Tata Lingkungan
  5. Direktorat Bina Usaha Perhutanan Sosial dan Hutan Adat, Ditjen Perhutanan Sosial dan Kemitraan Lingkungan
  6. Direktorat Pemanfaatan Jasa Lingkungan Hutan Konservasi, Ditjen Konservasi Sumber Daya Alam dan Ekosistem
- V. **Kementerian Agraria dan Tata Ruang**
  1. Direktorat Pemanfaatan Tanah Pemerintah, Direktorat Jenderal Pengadaan Tanah
  2. Direktorat Pengendalian Pemanfaatan Ruang, Ditjen Pengendalian Pemanfaatan Ruang
  3. Direktorat Penataan Wilayah Pesisir, Pulau-Pulau Kecil, Perbatasan Dan Wilayah Tertentu, Direktorat Jenderal Penataan Agraria
- VI. **Kementerian Dalam Negeri**
  1. Direktorat Perencanaan, Evaluasi, dan Informasi Pengembangan Daerah, Direktorat Jenderal Bina Pembangunan Daerah
  2. Direktorat Sinkronisasi Urusan Pembangunan Daerah III, Direktorat Jenderal Bina Pembangunan Daerah
- VII. **Kementerian Pendidikan dan Kebudayaan**
  1. Direktorat Sejarah dan Nilai Budaya, Direktorat Jenderal Kebudayaan



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#### VIII. Kementerian Negara Pemberdayaan Perempuan dan Perlindungan Anak

1. Asdep Kesetaraan Gender Bidang Infrastruktur dan Lingkungan, Deputi Bidang Kesetaraan Gender

#### IX. Kementerian Kelautan Dan Perikanan

1. Direktorat Pendayagunaan Pesisir dan Pulau-pulau Kecil, Ditjen Pengelolaan Ruang Laut
2. Direktorat Konservasi dan Keanekaragaman Hayati Laut, Ditjen Pengelolaan Ruang Laut

#### X. Kementerian Desa, Pembangunan Daerah Tertinggal dan Transmigrasi

1. Direktorat Jenderal Pembangunan dan Pemberdayaan Masyarakat Desa

#### XI. Komunitas/LSM/Universitas

1. Aliansi Masyarakat Adat Nusantara (AMAN)
2. Greenpeace Indonesia
3. WALHI
4. INDECON
5. KIARA
6. WWF Indonesia
7. Yayasan Kehati
8. Fakultas Kehutanan, Institut Pertanian Bogor
9. Program Studi Teknik Lingkungan, Universitas Indonesia
10. Fakultas Arsitektur Lansekap dan Teknologi Lingkungan, Universitas Trisakti
11. Sekolah Tinggi Pariwisata Trisakti
12. BPPI

<div>  <b>ABSENSI PESERTA</b>  <b>PEMBAHASAN DOKUMEN ESMF &amp; ESSA UNTUK DESTINASI PARIWISATA PRIORITAS</b>  <b>Jakarta, Ambhara - 19 Juli 2017</b> </div>				
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39	Efran H.	Direktorat Jembatan Bina Marga		0852-1896-4009



## 2) Yogyakarta



KEMENTERIAN PEKERJAAN UMUM DAN PERUMAHAN RAKYAT  
BADAN PENGEMBANGAN INFRASTRUKTUR WILAYAH  
PUSAT PENGEMBANGAN KAWASAN STRATEGIS  
Jalan Pattimura No. 20 Kebayoran Baru – Jakarta Selatan 12110 Telp. (021) 27513546

Jakarta, 3 Juli 2017

Nomor : UM.02.06-WK/63  
Lampiran : 1 (satu) berkas  
Perihal : Pembahasan Draft Dokumen Pengelolaan Lingkungan dan Sosial (ESMF) dan Dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Kepada Yth.  
(terlampir)  
Di  
Tempat

Dalam rangka mendukung Perpres No. 2 Tahun 2015 tentang RPJMN 2015 – 2019 untuk meningkatkan kunjungan pariwisata Indonesia menjadi 20 juta kunjungan pada tahun 2019, saat ini dilaksanakan pembangunan pariwisata Indonesia yang salah satu sumber pendanaannya akan didukung melalui pinjaman luar negeri (*Bank Dunia*). Pinjaman tersebut akan dilaksanakan dengan mekanisme *hybrid* antara PforR (*Program for Result*) dan IPF (*Investment Project Financing*).

Untuk mendukung hal dimaksud, Badan Pengembangan Infrastruktur Wilayah (BPIW), Kementerian PUPR menyusun dokumen *Environmental and Social Management Framework (ESMF)* sebagai bagian dari komponen IPF; adapun Bank Dunia menyusun dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai komponen dari PforR.

Terkait hal dimaksud, BPIW dan Bank Dunia sebelumnya telah mengadakan Rapat Pembahasan Kerangka Acuan Kerja ESMF di Jakarta (3 April 2017), Kabupaten Magelang (6 April 2017), Kabupaten Simalungun (10 April 2017) dan Kabupaten Lombok Barat (12 April 2017).

Untuk menindaklanjuti kegiatan tersebut di atas serta menyempurnakan dokumen ESMF dan ESSA, kami mengundang Bapak/Ibu untuk hadir dalam Pembahasan Draft Dokumen ESMF dan ESSA sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia KSPN Borobudur dan sekitarnya, yang akan diselenggarakan pada:

Hari/Tanggal : Senin, 17 Juli 2017  
Waktu : Pukul 08.30 – 16.00 WIB  
Tempat : Hotel Harper Mangkubumi  
Jl. P. Mangkubumi No.52, Gowongan, Jetis, Kota Yogyakarta, 55232  
Agenda : Terlampir

Perlu kami sampaikan bahwa draft ESMF dan draft ESSA dapat diakses di website kami, [www.bpiw.go.id](http://www.bpiw.go.id). Adapun Biaya rapat (*Full Day*) peserta selama acara berlangsung ditanggung oleh pihak penyelenggara, sedangkan transportasi dan akomodasi (penginapan) ditanggung oleh masing-masing unit kerja peserta. Untuk konfirmasi kehadiran dapat dilakukan dengan menghubungi atau melalui fax di nomor telepon (021) 27513546 dan email ke [esmf.bpiw@gmail.com](mailto:esmf.bpiw@gmail.com).

Demikian kami sampaikan, atas perhatian dan kerjasamanya yang diberikan, kami ucapkan terima kasih.

Kepala Pusat Pengembangan Kawasan Strategis

Ir. Hadi Susahyono, M.P., M.Sc., Ph.D.  
NIP: 110040673

Lampiran Surat No. : UM.02.06-WK/63  
Tanggal : 3 Juli 2017

#### Daftar Undangan

Pembahasan Draft Dokumen Pengelolaan Lingkungan dan Sosial (ESMF) dan Dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

1. Kepala Badan Perencanaan dan Pengembangan Daerah Provinsi Jawa Tengah
2. Kepala Badan Lingkungan Hidup Daerah Provinsi Jawa Tengah
3. Kepala Dinas Pekerjaan Umum Provinsi Jawa Tengah
4. Kepala Dinas Pariwisata dan Ekonomi Kreatif Provinsi Jawa Tengah
5. Kepala Kantor Pertanahan Provinsi Jawa Tengah
6. Kepala Dinas Budaya dan Pariwisata Provinsi Jawa Tengah
7. Kepala Badan Perencanaan dan Pengembangan Provinsi D.I. Jogjakarta
8. Kepala Badan Lingkungan Hidup Provinsi D.I. Jogjakarta
9. Kepala Badan Pemberdayaan Perempuan dan Masyarakat Provinsi D.I. Jogjakarta
10. Kepala Dinas Pariwisata Provinsi D.I. Jogjakarta
11. Kepala Badan Perencanaan dan Pengembangan Kota Jogjakarta
12. Kepala Dinas Pekerjaan Umum, Perumahan, Dan Kawasan Permukiman Kota Jogjakarta
13. Kepala Dinas Koperasi, Usaha Kecil Dan Menengah, Tenaga Kerja Dan Transmigrasi Kota Jogjakarta
14. Kepala Dinas Pemberdayaan Masyarakat, Perempuan, Dan Perlindungan Anak Kota Jogjakarta
15. Kepala Dinas Pariwisata Kota Jogjakarta
16. Kepala Badan Perencanaan dan Pengembangan Kota Magelang
17. Kepala Dinas Pekerjaan Umum Kota Magelang
18. Kepala Badan Perencanaan dan Pengembangan Kabupaten Magelang
19. Kepala Badan Lingkungan Hidup Daerah Kabupaten Magelang
20. Kepala Dinas Pariwisata dan Ekonomi Kreatif Kabupaten Magelang
21. Kepala Dinas Budaya Kabupaten Magelang
22. Kepala Badan Perencanaan dan Pengembangan Kabupaten Klaten
23. Kepala Dinas Pekerjaan Umum Kabupaten Klaten
24. Kepala Dinas Kebudayaan Pariwisata Pemuda Kabupaten Klaten
25. Kepala Badan Perencanaan dan Pengembangan Kabupaten Sleman
26. Kepala Dinas Pertanahan Kabupaten Sleman
27. Kepala Dinas Sosial, Tenaga Kerja dan Transmigrasi Kabupaten Sleman
28. Kepala Dinas Lingkungan Hidup Kabupaten Sleman
29. Kepala Dinas Pekerjaan Umum, perumahan dan Kawasan Permukiman Kabupaten Sleman
30. Kepala Dinas Pariwisata Kabupaten Sleman
31. Kepala Badan Perencanaan dan Pengembangan Kabupaten Kulonprogo

32. Kepala Dinas Pemberdayaan Masyarakat dan Desa Pengendalian Penduduk dan Keluarga Berencana Kabupaten Kulonprogo
33. Kepala Dinas Pekerjaan Umum, Perumahan dan Kawasan Permukiman Kabupaten Kulonprogo
34. Kepala Dinas Kebudayaan Kabupaten Kulonprogo
35. Kepala Dinas Pariwisata Kabupaten Kulonprogo
36. Kepala Dinas Lingkungan Hidup Kabupaten Kulonprogo
37. Kepala Badan Perencanaan dan Pengembangan Kabupaten Bantul
38. Kepala Dinas Pertanian, Pangan, Kelautan dan Perikanan Kabupaten Bantul
39. Kepala Dinas Pariwisata Kabupaten Bantul
40. Kepala Bappeda Kabupaten Semarang
41. Kepala Badan Lingkungan Hidup Kabupaten Semarang
42. Kepala Dinas Pekerjaan Umum Kabupaten Semarang
43. Dinas Pertanian dan Perkebunan Kabupaten Semarang
44. Kepala Bappeda Kota Salatiga
45. Kepala Badan Pemberdayaan Masyarakat, Perempuan, KB, dan Ketahanan Pangan Kota Salatiga
46. Kepala Dinas Bina Marga dan Pengelolaan Sumber Daya Air Kota Salatiga
47. Kepala Dinas Cipta Karya dan Tata Ruang Kota Salatiga
48. Kepala Kantor Lingkungan Hidup Kota Salatiga
49. Kecamatan Kraton, Kota Jogjakarta
50. Kecamatan Gedong Tengen, Kota Jogjakarta
51. Kecamatan Danu Rejan, Kota Jogjakarta
52. Kecamatan Ngampilan, Kota Jogjakarta
53. Kecamatan Kota Gede, Kota Jogjakarta
54. Kecamatan Gondomanan, Kota Jogjakarta
55. Camat Kecamatan Prambanan – Kabupaten Sieman
56. Camat Kecamatan Mungkid, Kabupaten Magelang
57. Camat Kecamatan Borobudur, Kabupaten Magelang
58. Camat Kecamatan Salam, Kabupaten Magelang
59. Camat Kecamatan Muntilan, Kabupaten Magelang
60. Camat Kecamatan Mertoyudan, Kabupaten Magelang
61. Camat Kecamatan Secang, Kabupaten Magelang
62. Camat Kecamatan Prambanan – Kabupaten Klaten
63. Kepala Balai Konservasi Borobudur
64. Kepala PT. Taman Wisata Candi Borobudur, Prambanan, dan Ratu Boko
65. Dekan Fakultas Teknik Sipil dan Lingkungan, Universitas Gadjah Mada
66. Kepala Pusat Studi Pariwisata (Universitas Gadjah Mada)
67. Ketua WALHI (Wahana Lingkungan Hidup) – Jawa Tengah
68. Ketua Badan Otorita Kawasan Pariwisata Borobudur
69. Ketua Pesona Magelang
70. Ketua BPPI Network Central Java-Yogyakarta

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44	Sigit Yasien	DPTR Sleman	<a href="mailto:sigit.tami@yahoo.com">sigit.tami@yahoo.com</a>	0811-7575-161
45	Untung Subagyo	Kanwil BPN Jawa Tengah	<a href="mailto:ppkanwiljateng@yahoo.com">ppkanwiljateng@yahoo.com</a>	0815-7877-1104
46	Urip Raharjo	Dinas Lingkungan Hidup kabupaten Magelang	<a href="mailto:uraharjo@gmail.com">uraharjo@gmail.com</a>	0812-1567-972



3) Mataram



**KEMENTERIAN PEKERJAAN UMUM DAN PERUMAHAN RAKYAT  
BADAN PENGEMBANGAN INFRASTRUKTUR WILAYAH  
PUSAT PENGEMBANGAN KAWASAN STRATEGIS**  
Jalan Patilmura No. 20 Kebayoran Baru - Jakarta Selatan 12110 Telp. (021) 27513546

Jakarta, 5 Juli 2017

Nomor : UM.02-06-Wt/62  
Lampiran : 1 (satu) berkas  
Perihal : Pembahasan Draft Dokumen Pengelolaan Lingkungan dan Sosial (ESMF) dan Dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Kepada Yth.  
(terlampir)  
Di  
Tempat

Dalam rangka mendukung Perpres No. 2 Tahun 2015 tentang RPJMN 2015 – 2019 untuk meningkatkan kunjungan pariwisata Indonesia menjadi 20 juta kunjungan pada tahun 2019, saat ini dilaksanakan pembangunan pariwisata Indonesia yang salah satu sumber pendanaannya akan didukung melalui pinjaman luar negeri (Bank Dunia). Pinjaman tersebut akan dilaksanakan dengan mekanisme *hybrid* antara PforR (Program for Result) dan IPF (Investment Project Financing).

Untuk mendukung hal dimaksud, Badan Pengembangan Infrastruktur Wilayah (BPIW), Kementerian PUPR menyusun dokumen *Environmental and Social Management Framework* (ESMF) sebagai bagian dari komponen IPF; adapun Bank Dunia menyusun dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai komponen dari PforR.

Terkait hal dimaksud, BPIW dan Bank Dunia sebelumnya telah mengadakan Rapat Pembahasan Kerangka Acuan Kerja ESMF di Jakarta (3 April 2017), Kabupaten Magelang (6 April 2017), Kabupaten Simalungun (10 April 2017) dan Kabupaten Lombok Barat (12 April 2017).

Untuk menindaklanjuti kegiatan tersebut di atas serta menyempurnakan dokumen ESMF dan ESSA, kami mengundang Bapak/Ibu untuk hadir dalam Pembahasan Draft Dokumen ESMF dan ESSA sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Pulau Lombok, yang akan diselenggarakan pada:

Hari/Tanggal : Kamis, 13 Juli 2017  
Waktu : Pukul 08.30 – 16.00 WIB  
Tempat : Hotel Santika Mataram  
Jl. Pejangik No.32, Mataram Bar. Selaparang, Kota Mataram - 83126  
Agenda : Terlampir

Perlu kami sampaikan bahwa draft ESMF dan draft ESSA dapat diakses di website kami, [www.bpiw.go.id](http://www.bpiw.go.id). Adapun Biaya rapat (*Full Day*) peserta selama acara berlangsung ditanggung oleh pihak penyelenggara, sedangkan transportasi dan akomodasi (penginapan) ditanggung oleh masing-masing unit kerja peserta. Untuk konfirmasi kehadiran dapat dilakukan dengan menghubungi atau melalui fax di nomor telepon (021) 27513546 dan email ke [esmf.bpiw@gmail.com](mailto:esmf.bpiw@gmail.com).

Demikian kami sampaikan, atas perhatian dan kerjasamanya yang diberikan, kami ucapkan terima kasih.

Kepala Pusat Pengembangan Kawasan Strategis

  
Ir. Hadi Sucahyong, M.P.P., M.Sc., Ph.D.  
NIP: 110040673



Lampiran Surat No. : UM. 02. 06 - wt / 62  
Tanggal : 3 Juli 2019

#### Daftar Undangan

**Pembahasan Kerangka Acuan Kerja Environmental and Society Framework sebagai  
komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga)  
Destinasi Pariwisata Prioritas**

1. Kepala Dinas Pariwisata Provinsi Nusa Tenggara Barat
2. Kepala Dinas Pekerjaan Umum dan Tata Ruang Provinsi Nusa Tenggara Barat
3. Kepala Dinas Lingkungan Hidup dan Kehutanan Provinsi Nusa Tenggara Barat
4. Kepala Dinas Kelautan dan Perikanan Provinsi Nusa Tenggara Barat
5. Kepala Dinas Sosial Provinsi Nusa Tenggara Barat
6. Kepala Dinas Pertanian dan Perkebunan Provinsi Nusa Tenggara Barat
7. Kepala Dinas Pendidikan dan Kebudayaan Provinsi Nusa Tenggara Barat
8. Kepala Badan Pemberdayaan Masyarakat, Pemerintah Desa, Kependudukan, dan Catatan Sipil Provinsi Nusa Tenggara Barat
9. Kepala Badan Perencanaan Pembangunan Daerah Provinsi Nusa Tenggara Barat
10. Kepala Kesatuan Pengkikikan Hutan Lindung (Satuan Pengelola Hutan Rinjani Barat dan Satuan Pengelola Hutan Rinjani Timur)
11. Kepala Balai Konservasi Sumber Daya Alam Provinsi Nusa Tenggara Barat
12. Kepala Dinas Tata Kota Mataram
13. Kepala Dinas Pekerjaan Umum Kota Mataram
14. Kepala Dinas Kebudayaan dan Pariwisata Kota Mataram
15. Kepala Badan Perencanaan Pembangunan Daerah Kota Mataram
16. Kepala Dinas Sosial, Tenaga Kerja, dan Transmigrasi Kabupaten Lombok Barat
17. Kepala Dinas Pariwisata Kabupaten Lombok Barat
18. Kepala Dinas Pekerjaan Umum Kabupaten Lombok Barat
19. Kepala Dinas Kehutanan Kabupaten Lombok Barat
20. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Lombok Barat
21. Kepala Badan Pemberdayaan Masyarakat dan Pemerintahan Desa Kabupaten Lombok Barat
22. Kepala Badan Lingkungan Hidup Kabupaten Lombok Barat
23. Kepala STO (*Sustainable Tourism Observatory*) di Kabupaten Lombok Barat
24. Kepala Dinas Kelautan dan Perikanan Kabupaten Lombok Tengah
25. Kepala Dinas Kebudayaan dan Pariwisata Kabupaten Lombok Tengah
26. Kepala Dinas Sosial, Tenaga Kerja, dan Transmigrasi Kabupaten Lombok Tengah
27. Kepala Dinas Perindustrian dan Perdagangan Kabupaten Lombok Tengah
28. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Lombok Tengah
29. Kepala Badan Pemberdayaan Masyarakat dan Desa Kabupaten Lombok Tengah
30. Kepala Kantor Lingkungan Hidup Kabupaten Lombok Tengah
31. Kepala Dinas Pekerjaan Umum Kabupaten Lombok Timur
32. Kepala Dinas Kebudayaan dan Pariwisata Kabupaten Lombok Timur
33. Kepala Dinas Kehutanan dan Perkebunan Kabupaten Lombok Timur
34. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Lombok Timur
35. Kepala Badan Pemberdayaan Masyarakat dan Pembangunan Desa Kabupaten Lombok Timur
36. Kepala Badan Lingkungan Hidup dan Penanaman Modal Kabupaten Lombok Timur
37. Kepala Dinas Perhubungan, Pariwisata, Komunikasi dan Informatika Kabupaten Lombok Utara
38. Kepala Dinas Sosial, Tenaga Kerja dan Transmigrasi Kabupaten Lombok Utara
39. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Lombok Utara
40. Kepala Kantor Lingkungan Hidup Kabupaten Lombok Utara
41. Bapak Kepala Kecamatan Pemenang
42. Bapak Kepala Kecamatan Tanjung
43. Bapak Kepala Kecamatan Batu Layar
44. Ketua Komunitas Suku Sasak
45. Dekan Fakultas Pertanian Universitas Mataram
46. Ketua Program Studi Kehutanan Universitas Mataram
47. Ketua Program Studi Sosiologi Universitas Mataram
48. Ketua WWF Indonesia
49. Direktur Akademi Pariwisata Mataram
50. Ketua NZ Aid
51. Ketua Aliansi Masyarakat Adat Nusantara (AMAN) Pulau Lombok
52. Ketua Aliansi Masyarakat Adat Nusantara dan Majelis Adat Sasak
53. Presiden Direktur Indonesia *Tourism Development Corporation*
54. Ketua Santiri *Foundation*



## ATTENDANCE LIST

Pembahasan Dokumen ESMF & ESSA untuk Destinasi Pariwisata Prioritas  
Mataram, Santika Hotel, 13 Juli 2017

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8	<u>Saman</u>	<u>Disperindag Lombok Tengah</u>	0818 364 148	
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## ATTENDANCE LIST

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Mataram, Santika Hotel, 13 Juli 2017

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15	<u>Suparlan</u>	<u>Kecamatan Batu Layar</u>	0817 9248 181	
16	<u>L. Wiranata</u>	<u>Bappeda Kabupaten Lombok Tengah</u>	0878 6479 0177	<a href="mailto:gde.wing@yahoo.co.id">gde.wing@yahoo.co.id</a>
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## ATTENDANCE LIST

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Mataram, Santika Hotel, 13 Juli 2017

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32	<u>Deatrir Ar-Risya</u>	<u>P3 BPIW PUPR</u>		
33	<u>Dewine Esmeralda</u>	<u>P3 BPIW PUPR</u>		
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37	<u>Tuti Mutia</u>	<u>Bappeda KLU</u>	0819 1813 2987	<a href="mailto:Mutiatia92@yahoo.co.id">Mutiatia92@yahoo.co.id</a>
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## ATTENDANCE LIST

## Pembahasan Dokumen ESMF &amp; ESSA untuk Destinasi Pariwisata Prioritas

Mataram, Santika Hotel, 13 Juli 2017

NO	NAMA	INSTITUSI	HANDPHONE	EMAIL
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41	<u>Juniar Nurmalasari</u>	<u>DISLHK Provinsi NTB</u>	0878 6583 0599	
42	<u>Sugiatna</u>	<u>DLHPKP Lombok Utara</u>	0859 3701 8756	
44	<u>L Zamzuri</u>	<u>Disparbud Lombok Tengah</u>	0819 1766 1474	
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46	<u>Sri Tejowulan</u>	<u>Pujita</u>	0878 6592 5004	<a href="mailto:Tejowulan07@yahoo.com">Tejowulan07@yahoo.com</a>
47	<u>L. Rahadian</u>	<u>Dinas LH Lombok Tengah</u>	0818 368 192	<a href="mailto:laturahadian@yahoo.co.id">laturahadian@yahoo.co.id</a>
48	<u>Uswatun Hasanah</u>	<u>BPIW</u>	0896 5300 4771	





**KEMENTERIAN PEKERJAAN UMUM DAN PERUMAHAN RAKYAT**  
**BADAN PENGEMBANGAN INFRASTRUKTUR WILAYAH**  
**PUSAT PENGEMBANGAN KAWASAN STRATEGIS**  
Jalan Pattimura No. 20, Kebayoran Baru – Jakarta Selatan 12110 Telp. (021) 27513546

Jakarta, 3 Juli 2017

Nomor : UM-02-DG-W6/61  
Lampiran : 1 (satu) berkas  
Perihal : Pembahasan Draft Dokumen Pengelolaan Lingkungan dan Sosial (ESMF) dan Dokumen Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga) Destinasi Pariwisata Prioritas

Kepada Yth.  
(terlampir)  
Di  
Tempat

Dalam rangka mendukung Perpres No. 2 Tahun 2015 tentang RPJMN 2015 – 2019 untuk meningkatkan kunjungan pariwisata Indonesia menjadi 20 juta kunjungan pada tahun 2019, saat ini dilaksanakan pembangunan pariwisata Indonesia yang salah satu sumber pendanaannya akan didukung melalui pinjaman luar negeri (Bank Dunia). Pinjaman tersebut akan dilaksanakan dengan mekanisme *hybrid* antara PforR (Program for Result) dan IPF (Investment Project Financing).

Untuk mendukung hal dimaksud, Badan Pengembangan Infrastruktur Wilayah (BPIW), Kementerian PUPR menyusun dokumen *Environmental and Social Management Framework* (ESMF) sebagai bagian dari komponen IPF; adapun Bank Dunia menyusun dokumen *Kajian Sistem Pengelolaan Lingkungan dan Sosial* (ESSA) sebagai komponen dari PforR.

Terkait hal dimaksud, BPIW dan Bank Dunia sebelumnya telah mengadakan Rapat Pembahasan Kerangka Acuan Kerja ESMF di Jakarta (3 April 2017), Kabupaten Magelang (6 April 2017), Kabupaten Simalungun (10 April 2017) dan Kabupaten Lombok Barat (12 April 2017).


Untuk menindaklanjuti kegiatan tersebut di atas serta menyempurnakan dokumen ESMF dan ESSA, kami mengundang Bapak/Ibu untuk hadir dalam Pembahasan Draft Dokumen ESMF dan ESSA sebagai Komponen Dukungan Teknis Program Pengembangan Pariwisata Indonesia KSPN Danau Toba, yang akan diselenggarakan pada:

Hari/Tanggal : Senin, 10 Juli 2017  
Waktu : Pukul 08.30 – 16.00 WIB  
Tempat : Hotel Four Points by Sheraton  
Jl. Jend Gatot Subroto No.395, Cinta Damai, Medan Helvetia, Kota Medan - 20119  
Agenda : Terlampir

Perlu kami sampaikan bahwa draft ESMF dan draft ESSA dapat diakses di website kami, [www.bpiw.go.id](http://www.bpiw.go.id). Adapun Biaya rapat (*Full Day*) peserta selama acara berlangsung ditanggung oleh pihak penyelenggara, sedangkan transportasi dan akomodasi (penginapan) ditanggung oleh masing-masing unit kerja peserta. Untuk konfirmasi kehadiran dapat dilakukan dengan menghubungi atau melalui fax di nomor telepon (021) 27513546 dan email ke [esmf.bpiw@gmail.com](mailto:esmf.bpiw@gmail.com).

Demikian kami sampaikan, atas perhatian dan kerjasamanya yang diberikan, kami ucapkan terima kasih.

Kepala Pusat Pengembangan Kawasan Strategis

  
Ir. Hadi Sucahyono, M.P., M. Sc., Ph.D.  
NIP: 110040673



Quality and Innovate

Lampiran Surat No. : UM. 02 06 - Wt /61  
Tanggal : 3 Juli 2017

#### Daftar Undangan

**Pembahasan Draft Dokumen Pengelolaan Lingkungan dan Sosial (ESMF) dan Dokumen  
Kajian Sistem Pengelolaan Lingkungan dan Sosial (ESSA) sebagai komponen  
Dukungan Teknis Program Pengembangan Pariwisata Indonesia di 3 (tiga) Destinasi  
Pariwisata Prioritas**

1. Kepala Dinas Pariwisata dan Kebudayaan Sumatera Utara
2. Kepala Badan Perencanaan Pembangunan Daerah Provinsi Sumatera Utara
3. Kepala Dinas Lingkungan Hidup Provinsi Sumatera Utara
4. Kepala Badan Otorita Danau Toba
5. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Karo
6. Kepala Dinas Pekerjaan Umum Kabupaten Karo
7. Kepala Dinas Kebudayaan dan Pariwisata Kabupaten Karo
8. Kepala Badan Pemberdayaan Masyarakat dan Masyarakat Desa Kabupaten Karo
9. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Simalungun
10. Kepala Dinas Sosial Kabupaten Simalungun
11. Kepala Dinas Lingkungan Hidup Kabupaten Simalungun
12. Kepala Dinas Pariwisata dan Kebudayaan Kabupaten Simalungun
13. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Toba Samosir
14. Kepala Dinas Pemberdayaan Masyarakat Desa, Perempuan dan Perlindungan Anak Kabupaten Toba Samosir
15. Kepala Badan Lingkungan Hidup dan Pertambangan Kabupaten Toba Samosir
16. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Tapanuli Utara
17. Kepala Dinas Sosial, Tenaga Kerja dan Transmigrasi Kabupaten Tapanuli Utara
18. Kepala Dinas Pariwisata Kabupaten Tapanuli Utara
19. Kepala Dinas Kehutanan Kabupaten Tapanuli Utara
20. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Samosir
21. Kepala Badan Pemberdayaan Masyarakat, Perempuan dan Otonomi Desa Kabupaten Samosir
22. Kepala Badan Lingkungan Hidup, Penelitian dan Pengembangan Kabupaten Samosir
23. Kepala Dinas Sosial, Tenaga Kerja, Pemuda dan Olahraga Kabupaten Samosir
24. Kepala Dinas Tata Ruang, Pemukiman, Kebersihan dan Pertamanan Kabupaten Samosir
25. Kepala Dinas Pariwisata, Seni, dan Budaya Kabupaten Samosir
26. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Humbang Hasundutan
27. Kepala Dinas Tata Ruang dan Pemukiman Kabupaten Humbang Hasundutan
28. Kepala Dinas Perhubungan dan Pariwisata Kabupaten Humbang Hasundutan
29. Kepala Dinas Kehutanan dan Lingkungan Hidup Kabupaten Humbang Hasundutan
30. Kepala Dinas Sosial dan Tenaga Kerja Kabupaten Humbang Hasundutan
31. Kepala Badan Perencanaan Pembangunan Daerah Kabupaten Dairi
32. Kepala Dinas Kebudayaan, Pariwisata, Pemuda dan Olahraga Kabupaten Dairi
33. Kepala Dinas Pekerjaan Umum dan Penataan Ruang Kabupaten Dairi
34. Kepala Dinas Pemberdayaan Perempuan dan Perlindungan Anak Kabupaten Dairi
35. Kepala Dinas Lingkungan Hidup Kabupaten Dairi
36. Kepala Dinas Sosial Kabupaten Dairi
37. Camat Kecamatan Balige, Kabupaten Toba Samosir

38. Camat Kecamatan Girsang Sepangan Bolon, Kabupaten Simalungun
39. Camat Kecamatan Simanindo, Kabupaten Samosir
40. Camat Kecamatan Pangururan, Kabupaten Samosir
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45. Ketua WWF Indonesia
46. Ketua The Sumatera Heritage Trust
47. Ketua Fauna Flora International
48. Ketua BPPI Network North Sumatera
49. Ketua Yayasan Pecinta Danau Toba
50. Ketua Walhi Sumatera Utara
51. Ketua Aliansi Masyarakat Adat Nusantara (AMAN) Sumatera Utara
52. Ir. Soehartini Sekartjajarin, PhD, IALI selaku Direktur Eksekutif IdeA eco-Indonesia



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