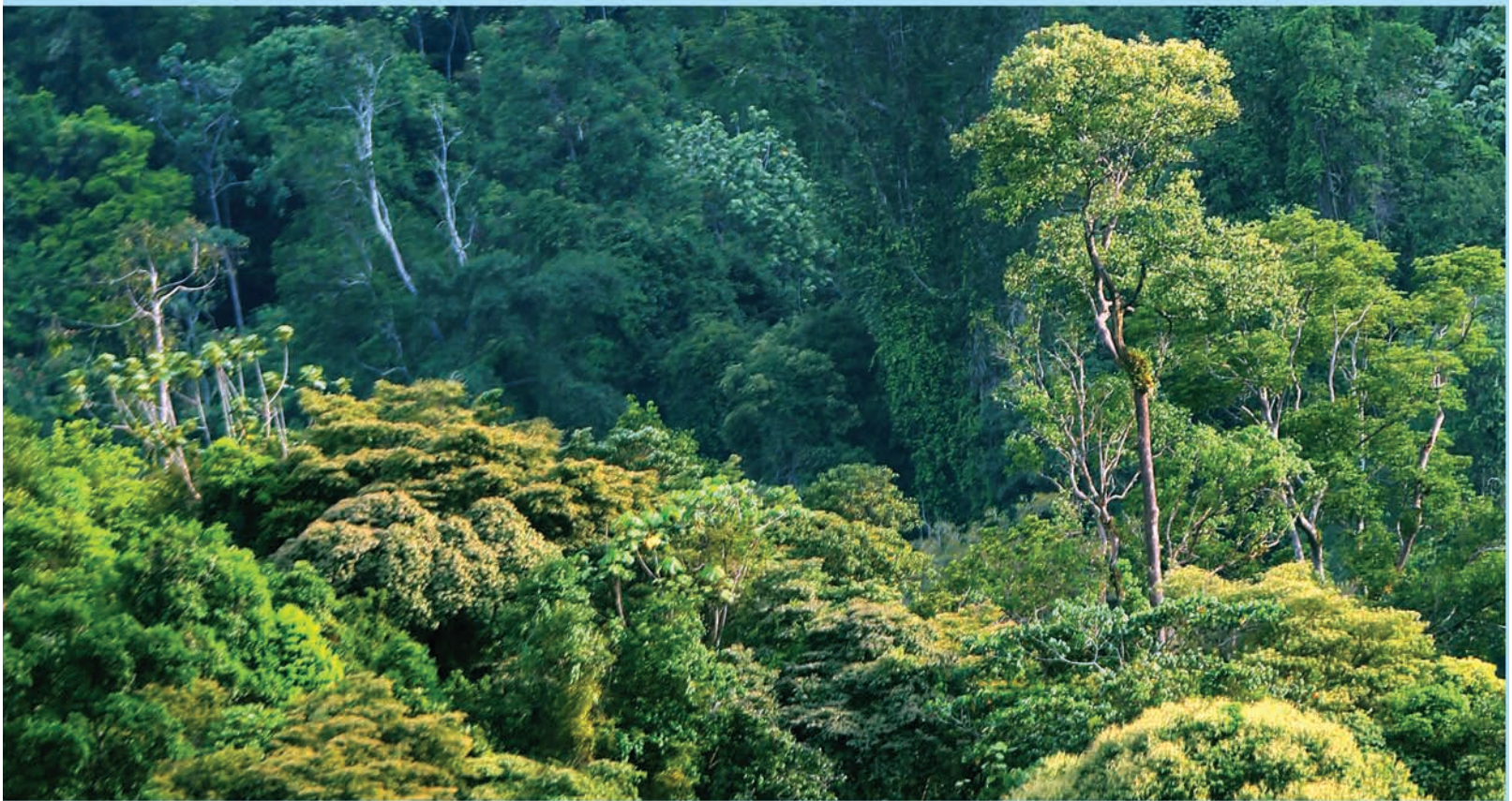


LAND AND FOREST GOVERNANCE INDEX

THE PERFORMANCE OF LOCAL GOVERNMENTS IN
LAND AND FOREST GOVERNANCE IN INDONESIA
(A CASE STUDY OF NINE DISTRICTS)



*Indonesian Center for
Environmental Law*



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LAND AND FOREST GOVERNANCE INDEX :

The Performance of Local Governments in Land and Forest Governance in Indonesia (A Case Study of Nine Districts)

2014

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Courtesy of Rhett Butler, Mongabay: Forests of Sumatra

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Glossary

APBD	: Local Budget
APL	: Other Use Area
BAPPENAS	: National Development Planning Agency
BKPRD	: Local Spatial Planning Coordinating Agency
BKPRN	: National Spatial Planning Coordinating Agency
BPKAD	: Local Financial and Asset Management Agency
BPKH	: Center for Forestland Consolidation
DAS	: Watershed
DISHUTBUNTAM	: Forestry, Plantation and Mining Office
DPA	: Budget Implementation Document
DPRD	: Local Legislative Council
FGD	: Focus Group Discussion
FTTRA	: Indonesian Forum for Budget Transparency
GHG	: Greenhouse Gases
HGU	: Right of Cultivation
HL	: Protected Forest
HP	: Production Forest
HPK	: Converted Production Forest
HTI	: Industrial Forest
HTR	: Community Forest Plantation
ICEL	: Indonesian Center for Environmental Law
ICW	: Indonesia Corruption Watch
IPHHK	: Forest Timber Utilization Permit
IPK	: Timber Utilization Permit
IUP	: Mining Business Permit
IUPHHK-HA	: Forest Timber Utilization Permit for Natural Forests
IUPHHK-HT	: Forest Timber Utilization Permit for Plantation Forest
IUPHHK-RE	: Forest Timber Utilization Permit for Ecosystem Restoration
KIP	: Transparency of Public Information
KLHS	: Strategic Environmental Study
KPA	: Natural Conservation Area
KRP	: Program Planning Activity
KSA	: Natural Reserve Area
LGI	: LULUCF Governance Index
LULUCF	: Land Use, Land-Use Change and Forestry
MUBA	: Musi Banyuasin
MURA	: Musi Rawas
NPSK	: Norms, Procedures, Standards, Criteria
PERDA	: Regional Regulations/Bylaws
PKBM	: Community-Based Forest Fire Control
PPH	: Law Monitoring and Enforcement
PPID	: Information and Documentation Management Officers
RAD-GRK	: Local Greenhouse Gas Action Plan
RAN-GRK	: National Greenhouse Gas Action Plan
RKA	: (Annual) Work Plan and Budget
RPJMN	: National Medium-Term (Five-Year) Development Plan

RPRHL	: Land and Forest Rehabilitation Preparation Plan
RTnRHL	: Land and Forest Rehabilitation Annual Plan
RTRW	: Local Spatial Plan
SKPD	: District-Level Working Unit
SOP	: Standard Operating Procedures
TAF	: The Asia Foundation
TGHK	: Forest Use Agreement
TKHL	: Land and Forest Governance
TP3K	: District-Level Plantation Facilitation and Development Team
TP4L	: Land Use, Building and Monitoring Team
UKP4	: Presidential Taskforce for Development Monitoring and Control
UKCCU	: United Kingdom Climate Change Unit
WIUP	: Mining Business Permit Area
WP	: Mining Area
WRI	: World Resources Institute

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Preface

This study on the Land and Forest Governance Index is intended as a tool for measuring land and forest governance at the district level in a detailed and specific manner, to diagnose the most important weaknesses to be addressed, and to compare districts to find best practices that can serve as models. The index can also be used in subsequent years to measure development in land and forest governance for each district. In this way, this study is an important element of civil society involvement in local governance, particularly at the district level.

This study was conducted as part of the SETAPAK program, funded by the United Kingdom Climate Change Unit (UKCCU). SETAPAK aims to improve land and forest governance in Indonesia, in order to support Indonesia's efforts to mitigate greenhouse gas emissions. For this reason, SETAPAK supports the efforts of Indonesian NGOs that are capable of playing a role in land and forest governance, including by debating government policy and monitoring its implementation so that it can be more effective in achieving sustainable development. Land and forest governance at the district level is a critical factor in controlling the social and environmental impacts of economic activities in the mining, plantation and forestry sectors. With the level of authority that exists at the district level, land and forest governance at this level will be the key factor in the success of government efforts to reduce the rate of deforestation, mitigate greenhouse gas emissions, conserve natural resources, and provide social and economic justice in utilizing natural resources for the benefit of the Indonesian people.

We would like to thank UKCCU for lending its support to this study. We would also like to extend our gratitude to ICEL, Seknas FITRA and all members of the research and writing team for their contributions to this study. To the researchers in the field, we thank you. We would also like to express our gratitude toward Blair Palmer, Prayekti Murharjanti, Alam Suryaputra and Frans Siahaan from The Asia Foundation, who have given so much insight and who edited this study for publishing.

We do hope that this report will be helpful for improving land and forest governance so that our natural resources can be conserved and used sustainably into the future. We are aware that many parts of this study still require improvement. Hence, we invite criticism and suggestions from readers that can be used for future improvement.

Jakarta, December 2013

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Executive Summary

Indonesia faces serious problems related to unsustainable land and forest governance, including rapid deforestation and forest degradation. One cause of these problems is poor governance at all levels of government. At the local level, the problems become even more complex due to regional autonomy laws. To address these challenges, the Land and Forest Governance Index (LFGI) was developed as a measure of the performance of district governments' in governing land and forests. The LFGI is a numerical measurement of the extent to which district governments have applied good governance principles in governing land and forests in accordance with their respective authorities. The principles of good governance that are measured are transparency, participation, accountability and coordination. The results of this study can be used both by civil society to promote change, and by governments to evaluate policies and their implementation.

This LFGI study evaluated the performance of nine districts spread across three provinces, namely Banyuasin, Musi Banyuasin and Musi Rawas in the South Sumatra province; Bulungan, Berau and Paser in East Kalimantan province and Kubu Raya, Kayong Utara and Sintang in West Kalimantan province. The study limited its scope to examining land and forest governance by districts in three stages of management: planning, implementation, and monitoring and law enforcement. The study only focused on the formal and procedural aspects of governance, such as the existence of regulations, implementing agencies and procedures. The basic assumption of the research was that procedural and formal aspects of governance are the minimal performance standards to ensure land and forest governance is carried out in accordance with good governance principles. This study did not look at other aspects of good governance such as capacity, effectiveness and efficiency.

The LFGI study draws attention to the poor level of land and forest governance in the nine districts. The average district government received a score of 19 on the LFGI scale of 1 to 100. When compared sectorally, the index scores show that performance in the governance of forestry (13.47), plantations (11.48), and mining (10.12) is poor. When compared to other sectors, such as education, health, and infrastructure, land and forest governance scores poorly. The study revealed that planning activities, such as drafting the Regional Spatial Plans and Strategic Environmental Assessment are relatively transparent, participative, and accountable when compared to activities related to implementation (such as issuing permits and recommendations/technical agreements) and monitoring.

The low LFGI score of each of the nine districts in this study is an unfortunate result, and shows that decentralization of authority over land and forest governance has not yet been followed by seriousness on the part of district governments to follow principles of good governance. Based on these findings, recommendations to district governments include improving access to information by building infrastructure and institutions for open public information; creating and providing spaces for community participation in land and forest governance in all forms and mechanisms; adhering to regulations in the form of norms, standards, guidelines and criteria; and strengthening mechanisms and institutions for cross-sectoral coordination by identifying and synergizing inter-sectoral interests.

The results also indicate that the central government has not been serious in carrying out its role to develop the capacity of district governments and in conducting oversight. Recommendations for central government include strengthening their oversight role in implementing regional autonomy in land and forest governance; and raising the capacity of district governments. Civil society can synergize actions and movements to encourage the improvement of land and forest governance; use the results from the LFGI study and other instruments to monitor and promote change; and get involved in activities such as planning, implementing and monitoring/law enforcement so that different voices and rights are accommodated in decision-making.

¹ Since this study was conducted, Bulungan district is now in part of the newly separated province of North Kalimantan.

CHAPTER I

MEASURING PERFORMANCE, ENCOURAGING CHANGE

I.1 INTRODUCTION

Indonesia is currently facing serious problems in land and forest governance, particularly regarding deforestation and forest degradation. According to Forest Watch Indonesia data, nationwide deforestation reached a rate of 1.5 million hectares per year during the period 2000-2009. Forestry Ministry data puts the current rate at 450,000 ha per year. Deforestation and forest degradation occur as the result of legal and illegal logging, legal and illegal forest conversion on a massive scale for plantations (particularly industrial-scale and oil-palm plantations), exploitation of mineral resources (mainly coal), small-scale forest conversion by farmers living near forests, and the burning of peatland and forests.

Because of the country's high levels of deforestation and forest degradation, Indonesia's greenhouse gas (GHG) emissions are also high. In 2005, emissions reached 2.1 Giga tons (Gt), a figure that is expected to increase to 3.2 Gt in 2030. This data shows Indonesia to be the world's third worst emitter after the United States and China, accounting for 5.95 Gt, or around 4.5% of total global GHG emissions. The greatest emission-contributing sectors are those involved in activities in peatland and the dynamic change of land and forest use (Land Use, Land-Use Change and Forestry, LULUCF), which have contributed 850 million tons (Mt) and 760 Mt respectively, which is more than 75% of Indonesia's emissions in 2005 or 2.5% of the world's GHG emissions.

In response to Indonesia's high levels of GHG emissions, President Susilo Bambang Yudhoyono made a commitment at a G-20 meeting in September 2009 in Pittsburgh to reduce Indonesia's emissions by 26% independently, or 41% with international support, by 2020. In the LULUCF sector, this target will be achieved through, among other things, a reforestation approach. The president's commitment is worth appreciating, however, it should be admitted that the stated targets are not easy to achieve. Land and forest governance is still hampered by many issues, ranging from overlapping regulations and policies to unclear tenure, poorly coordinated data and maps, a lack of technical capacity at the level of regional governments, less than transparent policymaking, a lack community participation and, lastly, poor law enforcement.

Sound land and forest governance is a determining factor for whether or not the president's targets can be successfully achieved. Good governance is believed to be a key prerequisite in efforts to mitigate greenhouse gas emissions. Good governance is characterized by transparency, in order to fulfill public needs to obtain information, substantial and significant public participation, high accountability, and effectively and efficiently organized coordination in every decision-making process. Unfortunately, these have not all been realized in Indonesia. Land and forest policies have not been implemented in a transparent and participative way, and accountability is also low, with poor coordination. As a result, Indonesia's forest coverage keeps shrinking.

² Portrait of Indonesia's Forest Situation in the Period 2000-2009, FWI, 2011.

³ Indonesia's Greenhouse Gas Abatement Cost Curve, Dewan Nasional Perubahan Iklim (DNPI), 2010.

⁴ United Nations Framework Convention on Climate Change. (www.unfccc.int/ghg_data/ghg_data_unfccc/time_series_annex_i/items/3814.php).

⁵ Op. Cit., DNPI.

I.2 RESEARCH OBJECTIVES

The researchers aimed to measure to what extent land and forest governance practices at the district level could progress under the four components of good governance, namely transparency, participation, accountability and coordination. These four components were tested at the stages of planning, management and monitoring, as well as under law enforcement in the forestry, mining and plantation sectors.

It is hoped that this study can be useful for many parties, in particular by giving information and feedback on the development of land and forest governance practices at the district level. For **local governments**, mainly at the district level, the research has several simultaneous advantages: firstly, by providing a basis for improving performance in managing land and forests in order to reduce deforestation and mitigate greenhouse gas emissions; secondly, as a basis for evaluating the management of District-Level Action Plans for Greenhouse Gas Emission Mitigation (RAD-GRKs) and other regional strategic plans aimed at reducing the rates of deforestation and greenhouse gas emissions; and thirdly, as a means for district-level governments to compare practices for land and forest governance and allow those with poor performance to learn from those with relatively better performance. Meanwhile, for the central government, it is hoped that the results of this research can be useful for evaluating both national policy and the decentralization of authority over land and forest governance from central to local governments. For civil society organizations, both at the national and local levels, it is hoped that the results of this research can be used as a basis for advocacy to encourage change for better land and forest governance.

I.3 RESEARCH FRAMEWORK & METHODOLOGY

The research focused on land and forest governance at the local level for several reasons, such as:

- (i) Based on Law No. 22/1999 on Local Governance, which was later revised under Law No. 32/2004, in the process of decentralizing authority from the central to local level, district-level governments are responsible for implementing the process of land and forest governance, while provincial governments act more as representatives of the central government, responsible for coordination and monitoring;
- (ii) The bulk of authority related to land and forest governance lies at the district level, such as granting permits for small-scale plantations, mining and forestry;
- (iii) Districts assume direct responsibility for public services, including those services in the land and forest sector;
- (iv) Decentralization as promoted by the central government has not been accompanied by capacity-building for district-level governments, meaning that capacity at this level of government, particularly in managing land and forests, remains generally weak;
- (v) Very few studies have been carried out on land and forest governance at the district level.

For the purposes of this study, governance in the land and forest sector is defined as efforts by district-level governments in planning and implementing policies, and monitoring and enforcing regulations in the forestry, plantation and mining sectors. The governance process is limited by the following definitions:

- **Planning** shall refer to the activities of district-level governments in planning the use and exploitation of land and forests, which includes the activities of spatial planning, forestry planning and budget planning as per the authority granted by the relevant legal regulations.

- **Management** shall refer to the activities of district-level governments in:
 - Using forest and/or land areas for non-forestry development activities
 - Utilizing forest and/or land areas for forestry development activities
 - Protecting forests by preventing and limiting damage to forest areas and forest products resulting from human actions, livestock, fire, natural forces, pests and diseases, and by maintaining individual, community and state rights over forests, forest areas, forest products and instruments related to forest governance.
- **Monitoring and law enforcement** shall refer to the activities of district-level governments in monitoring the use and exploitation of land and forests, as well as exercising law enforcement for such violations as per the relevant authority, including settling disputes outside of the court.

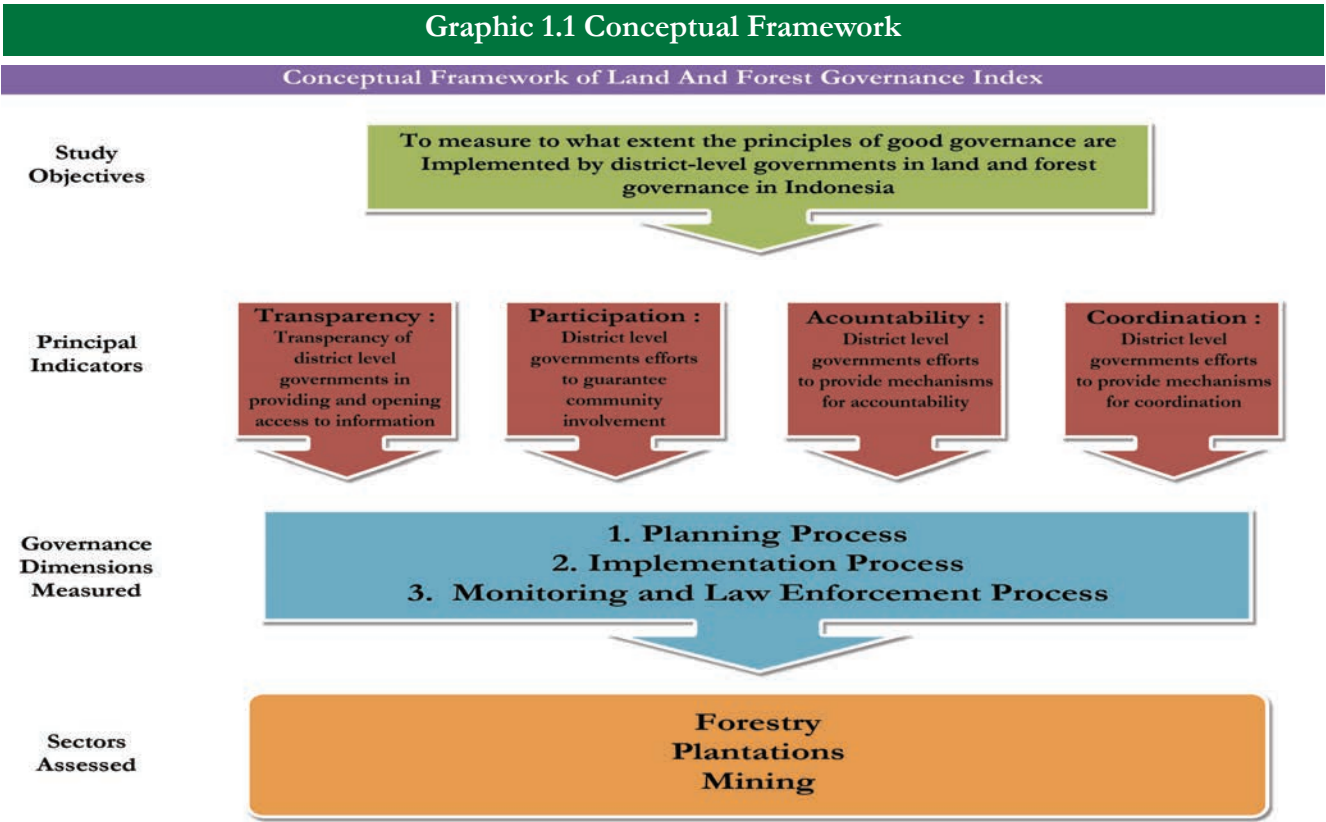
Furthermore, the components of good governance measured in this research are defined as follows:

- **Transparency** is defined as efforts by district-level governments to provide and open access to information at every stage of governance in the land and forest sectors. The sub-components of transparency under review include:
 - (i) Availability of, and access to, documents;
 - (ii) Openness of land and forest sector governance processes;
 - (iii) Institutionalization of information services.
- **Participation** is defined as efforts by district-level governments to ensure public involvement in land and forest sector governance. The sub-components of participation under review include:
 - (i) Means of participation and level of public involvement;
 - (ii) The diversity of participants involved in the process;
 - (iii) The availability of regulations that guarantee and support participation.
- **Accountability** is defined as efforts by district-level governments to provide mechanisms for managing claims and holding parties accountable in land and forest sector governance. The sub-components of accountability under review include:
 - (i) Internal accountability; to ascertain to what extent district-level governments can be held accountable for land and forest governance by other government institutions, either horizontally or vertically;
 - (ii) External accountability; to find out to what extent district-level governments can be held accountable for land and forest governance by the public.
- **Coordination** is defined as efforts by district-level governments to synergize land and forest governance. The sub-components of coordination under review include:
 - (i) Coordination mechanisms; these can be seen from a district-level government's inter-sectoral data and information exchange systems and the existence of institutions tasked with inter-sectoral coordination;
 - (ii) Horizontal coordination; this is coordination organized by a district-level government among organizational units within its administrative areas.

The process for collecting data on this indicator referred to the mechanism set out in Law No. 14/2008 concerning Public Information Disclosure (KIP).

I.3.A. CONCEPTUAL FRAMEWORK

The conceptual framework for this study on the Land and Forest Governance Index (IKHL) can be seen in the figure below:



The approach employed by the researchers was to conduct an evidence-based study, while evaluating governance performance using expert judgment. This approach relied on the extent to which answers given to the questions posed could be verified as true, thereby giving experts the chance to evaluate the answers. Assessments were based on the compliance of district-level governments with legal regulations and initiation in governing land and forests.

There have been several recent studies assessing land and forest governance, each using different focuses and methodologies. Taken together, these can provide a complementary analysis of land and forest governance. In general, these studies have aimed to raise issues about the implementation of good governance in order for it to gain the appropriate consideration and care. Some of those studies include:

- The Governance of Forests Initiative (GFI). GFI is a global initiative pioneered by the World Resources Institute (WRI) and practiced in several countries that are home to the greatest tropical forests in the world, including Brazil, Indonesia and Cameroon. In Indonesia, WRI collaborates with a number of NGOs, including the Indonesian Center for Environmental Law (ICEL). This program produced Forestry Governance Indicator Version 2.0 in 2011, which assesses the regulations, actors and practices of forest governance in the field of forest ownership and control, forest area use planning, forest management and utilization, and revenue from the forestry sector. This study is quite intensive to implement, meaning it can take a long time to assess a region (province or district), hence, it is unsurprising that only two regions in Indonesia have been successfully assessed so far. The results of this study are qualitative in nature, rather than quantified in index form.

- b. Indonesia Governance Index (IGI) by Kemitraan. The results of this Index were launched in 2013, focusing on general governance at the provincial level.
- c. Resource Governance Index (RGI) by the Revenue Watch Institute (RWI). The RGI Report was issued in 2013, focusing on revenue in the mining and oil and gas sectors. In the case of Indonesia, only the oil and gas sector was assessed, and not mining. RGI is a multi-state index – the questions are directed at a national level and do not intend to dissect the different levels of governance in certain regions in Indonesia.
- d. Forest, Land and REDD+ Governance Index from UNDP. This index is fairly comprehensive and is focused on Indonesia. The index assesses various aspects of good governance (transparency, participation, accountability, effectiveness, capacity and fairness) in issues of spatial zoning and forest planning, regulation of rights, forest organization, forest governance, control and enforcement, and REDD+ infrastructure. Meanwhile, the governance component consists of regulations and policies, actors and practices. This index measures governance at all levels of government (national, provincial, district), with provincial and district-level samples.

In order to supplement the studies mentioned above and to contribute to addressing the need to promote good land and forest governance in Indonesia, ICEL and FITRA collaboratively developed the Land and Forest Governance Index (IKHL), an instrument to measure the performance of district-level governments in governing land and forests. The specific characteristics of IKHL are as follows:

- a. It is intended to measure performance in an in-depth manner, in order to give a detailed and valid portrait of land and forest governance. Although its methodology is relatively basic, it is able to measure several regions at the same

time, as well as measure performance in the following year in order to assess change or progress in land and forest governance.

- b. To a practicable extent, it uses a methodology that is capable of measuring the real condition of land and forest governance. The most specific example is the use of an ‘access test’ to measure transparency, that is, by formally requesting information from district-level governments. This test can illustrate the reality in the field, regardless of the frequently idealistic policies and regulations that are ineffective in implementation.

This methodology, which was developed to measure performance, still of course has many weaknesses and limitations. Firstly, this index assesses the good governance components (such as transparency, participation and so on), yet it does not assess other aspects such as capacity, effectiveness and efficiency. This is due to limitations of time, human resources and funding, hence, the selected methodology should be adjusted to match the available resources. Secondly, while the transparency index is measured through an access test, which tests the real situation in the field, other aspects are measured through a proxy which is farther from reality in the field. For example, participation is measured through many proxies, but no measurement is taken on whether or not the input given in the participation process is actually used in the policy in question. In measuring accountability, researchers are well aware that the existence of a complaint mechanism in itself does not necessarily ensure accountability. Likewise, the availability of institutions or coordination mechanisms does not in reality guarantee that coordination is actually performed to prevent programs from overlapping. Despite its imperfections, the methodology in this study remains capable of measuring land and forest governance aspects in an accountable manner, to diagnose weaknesses and to find solutions.

I.3.B. RESEARCH INSTRUMENTS & SCORING

The research instruments consist of 157 questions, divided more or less equally among each of the governance components. Every question represents one (or, for several questions, two) governance principle(s), namely transparency, participation, accountability and coordination. For more detail, see the table below:

Each question is scored between 0, the lowest score, and 100, the highest. The multiple answers to the questions each hold a different score. When

calculating the index per component – that is, the transparency index, participation index, accountability index and coordination index – every question is equally weighted. Then, in calculating the overall land and forest governance index, which constitutes the combination of the four aforementioned components, each component is again equally weighted. In order to facilitate comparison, every index – including the overall land and forest governance index and the index for each component – is given a value from 0 to 100.

Table 1.1 Number of Research Questions for Land and Forest Governance Index		
Component	Sub-component	Number of Questions
Transparency	Document Accessibility	35
	Openness of decision-making process	32
	Information processing/service institutions	2
Participation	Availability of means of participation and level of public involvement	11
	Diversity of participants	15
	Regulations	11
Accountability	Internal accountability	8
	External accountability	31
Coordination	Availability of coordination mechanism	11
	Horizontal coordination	1
Total Questions		157

I.3.C. RELIABILITY AND VALIDITY

To ensure that the data used in this study are reliable and valid, the following steps were taken: Firstly, a verification tool was used to minimize measurement errors. Secondly, the national research team assessed the answers from local researchers according to the evidence given and whether or not such evidence was a sufficient basis for choosing an answer. Thirdly, if the evidence was insufficient, then the local researchers needed to find an additional verification tool to support the claimed answer. Re-verification of answers could also be paralleled with inter-rater reliability.

I.3.D. INDEX CATEGORIZATION

The study divided regions into the categories of “excellent”, “good”, “medium” and “poor” for each index. This categorization was performed by the method of expert judgment. Specifically, the research team answered every question in the

questionnaire and determined the answers expected to be reached by each region in each category. For example, for question number one concerning an access test of the Regional Level Working Unit (SKPD), the research team considered access to be “excellent” if the documents were obtained in 1-10 days, “good” if they were obtained in 11-17 days or “medium” if it took more than 17 days. Meanwhile, for question number 79 on the time it takes for the Regional Representatives Council (DPRD) to receive an RAPBD-P for discussion, a score of “excellent” was awarded if it was received before October, or “good” and “fairly good” if it was received during October.

This method is considered to be better than undertaking categorization by assigning an arbitrary score. Using this method, the research team members could then apply their knowledge of the conditions in the field and combine this with their understanding of the provisions of normative regulation. The table below illustrates the categorization of assessment for all indices.

Table 1.2 Categorization of Regional Performance Levels

Category	Transparency Index Score	Participation Index Score	Accountability Index Score	Coordination Index Score	LGI Index Score
Excellent	71.7-100	75.8-100	73.9-100	76.0-100	73.4-100
Good	46.7-71.6	50.9-75.7	53.3-73.87	51.0-75.9	49.8-73.3
Medium	23.4-46.6	25.1-60.0	25.3-53.2	25.6-50.9	24.6-49.8
Poor	0-23.3	0-25.1	0-25.2	0-25.5	0-24.5

I.3.E. DATA COLLECTION

Techniques Collecting data for the IKHL instrument was done using access tests, interviews and focus group discussions. The document access test method was used to assess section I of the research instrument. The access tests were done either personally or on behalf of the institutions (referring to the provisions set forth in Law No. 14/2008 on Public Information Disclosure), by requesting 35 types of documents related to governance in the land and forest sectors. The steps taken in these access tests were to firstly search for information to be tested in the publication media, managed by dis-

trict-level governments, such as websites and other media. If no information was found, the regional researchers would then send a request for information addressed to a district government institution, depending on the taskforce authorized to provide the information. This part could not be fulfilled based on the result of an interview.

To fulfill the instrument of Section II, that is, measuring the transparency of the decision-making process in the governance of land and forests, interviews were conducted. As for the data collection in Section III, that is, to measure participation, accountability and coordination, three methods

were used: document review, interviews with stakeholders, and focus group discussions. Focus group discussions were performed in order to confirm temporary data findings. The discussions involved stakeholders comprising representatives from the district government, NGOs, social organizations (including women's organizations), academicians and so on.

In order to avoid subjectivity, the information obtained from the district government representatives was confirmed with other stakeholders. This way, the information obtained from the government served only as preliminary information to be confirmed by other stakeholders from other elements of the community.

1.3.F. RESEARCH LOCATION

The 2012 IKHL assessment was performed in nine districts spread across three provinces, namely South Sumatra, East Kalimantan and West Kalimantan. The chosen districts were those also under review by The Asia Foundation's SETAPAK program, selected based on several criteria, including: having significant forest coverage, the existence of serious threats to this forest coverage and several other factors. Therefore, the nine regencies in this study cannot be said to 'represent' Indonesia's situation in general, since they were not selected by random sampling. Below is a map of the IKHL research sites:

Graphic 1.3
Research Site Map



⁶ When the study was conducted in 2012, North Kalimantan Province was in the process of expansion and Bulungan Regency was still part of East Kalimantan Province.

CHAPTER II

A LACK OF TRANSPARENCY THREATENING OUR FORESTS

II.1 INTRODUCTION

Transparency is one of the main aspects to measure levels of good governance, besides participation, accountability and coordination. In the context of land and forest governance, it is assumed that the more transparent a government is, the better it will be in managing land and forests to the benefit of social welfare and ecosystem function sustainability. Without transparency, participation, accountability and coordination, it is impossible to achieve good governance. It is safe to say that transparency is the basis and prerequisite for good governance in its entirety.

Indonesia's Constitution and numerous regulations in the country have acknowledged the importance of transparency in governance of the land and forest sector. This is reflected in the Constitution by the guarantee of each citizen's right to obtain information. The government's responsibility for transparent forest governance and citizens' rights to obtain information on forestry are also ensured by Law No. 41/1999 on Forestry. Likewise, in the mining and plantation sectors, several regulations have been introduced on this matter.

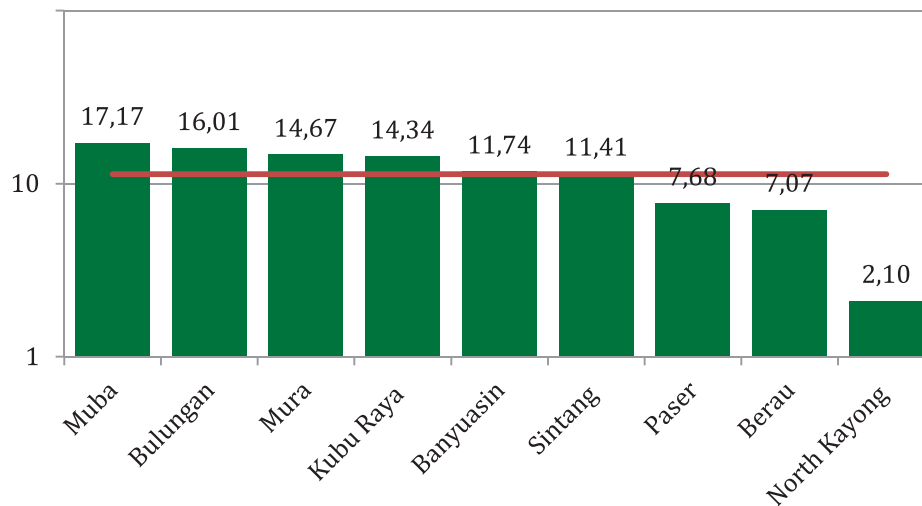
To measure the level of transparency, this study looked at its three main sub-components, namely document accessibility, openness of the decision-making process and institutionalization of information services under the applicable regulations. Document accessibility refers to the district governments' performance in providing public access to land and forest governance documents. Process

openness refers to the district governments' performance in providing information on land and forest governance, information recipients, and information broadcasting media. Meanwhile, the institutionalization of information services refers to the district governments' performance in developing a unit or assigning an Information Services and Documentation Official (PPID), and in preparing a set of standard procedures for information services. Taking the existing limitations into consideration, not all sub-components could be tested based on the real situation in the field. Only the document accessibility sub-component was treated in this way, while the other two were tested using proxies, which were further removed from the reality in the field.

II.2 TRANSPARENCY PERFORMANCE FOR LAND AND FOREST GOVERNANCE

The transparency performance of most district governments for land and forest governance is poor. The central government has issued several regulations mandating transparency in land and forest governance. By law, information related to land and forest governance should be open to the public. Unfortunately, such regulations have not been fully implemented in the field. The transparency index score for the nine sites in this study is only 11.4. This means that land and forest governance documents cannot be easily accessed and the decision-making process in relation to land and forests is not really open or transparent.

Graphic 2.1 Transparency Index of Land and Forest Governance



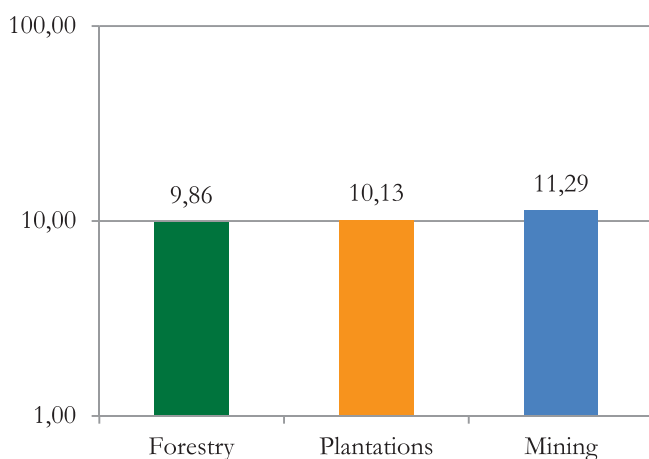
Musi Banyuasin ranks first among the nine research sites for transparency and has the highest score of 17.17. Nevertheless, the condition of land and forest governance in Musi Banyuasin is still far from transparent. The document accessibility level in this district is low since only 6 out of 35 requested documents were obtained. Musi Banyuasin received the highest index score, since this district has PPID and information service standards. Institutionalization of information services will only achieve transparency when it advances effectively.

The transparency performance of each management sector, namely forestry, plantations and mining, is poor. The management index rate of each sector remains very low: for forestry it is 9.86; plantations 10.13 and mining 11.29. This means that documents on forestry, plantation and

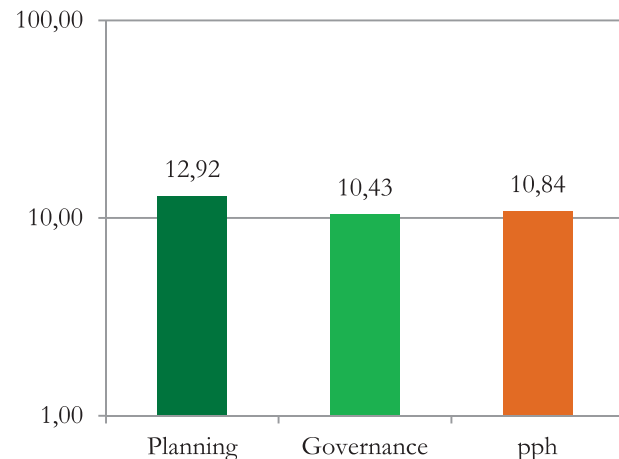
mining management, ranging from the planning to the monitoring stages, cannot be easily accessed by the public. The same can be said for the decision-making process and its management. The low score of these three sectors also indicates that the decentralization of authority over management, as in the case of the mining and plantation sectors, has not resulted in easier public access to information.

Transparency performance at the stages of planning, management and monitoring is poor. This can be seen in the transparency index score at the planning stage which reaches only 12.92, management at 10.43 and monitoring at 10.84. However, when a comparison among stages is made, the planning documents seem easier to access. In a similar study conducted by ICEL, it was found that governments were usually open with information at the

Graphic 2.2 Transparency Index by Sector



Graphic 2.3 Transparency Index by Stage



beginning of the planning stage, but tended to close access at the decision-making and implementation stages, since during these stages there are indications that interests other than the public good come into play. Additionally, some planning documents tested in this study were actually mandated to be published in the form of legal regulations, such as RKA and DPA, which are enacted by a Regional Head Regulation (Perkada), and RTRW, which should be enacted by a Regional Regulation (Perda). Any document in the form of a regulation is generally easier to access since it must be published in state or regional news and as a state or regional paper (publicity principle) and therefore automatically becomes a public document. Hence, there should be no grey area that allows for loop holes to emerge and misinterpretation to occur. .

Licensing process in the forestry, plantation and mining sectors remains obscure. Licensing is an important activity to be conducted prior to the commencement of land and forest utilization. Transparency is essential in the licensing process to ensure that the public remains unilaterally unharmed. Unfortunately, this study indicates that licensing transparency in the three sectors remains low. In the forestry sector, for example, no district government provided a copy of a Decree of Recommendation for IUPHHK Grant Approval for forestry companies, with the sole exception of Musi Rawas. The same went for the plantation sector. The documents related to plantation sector licensing, such as the Plantation Site Permit, Plantation Right of Cultivation and Plantation Company Business Permit, could not be obtained. The same also applied to plantation companies and the required Timber Utilization Permit (IPK) for land-clearing purposes. Meanwhile, in the mining sector, copies of exploration Mining Business Permit (IUP) documents, Decrees of Recommendation by the Regional Chairman for the approval of use permits and principal approval of forest area use for mining activity documents were also hard to access.

In terms of licensing decision-making, the district governments only gave information to certain parties, such as village leaders and RTRW heads. The media used to give information are also limited to, for example, invitations to village leaders, or via bulletins circulating within the district governments. As for the public, particularly the community affected by the utilization of land and forests, such information is rarely provided. Therefore, it is not uncommon for potential conflict with the local community to occur as a result of land and forest utilization permits issued by district governments to companies.

Box 2.1

Information Commission Regulation No. 1/2010 on Standards of Public Information Services.

Article 13

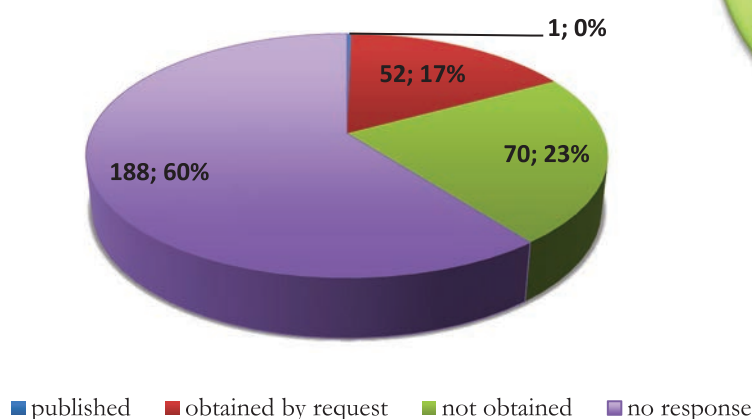
Every Public Body is obliged to provide information to the public at all times, at the very least including: ... (g) licensing terms, issued permits and/or their supporting documents, and reports on the permits given.

⁷ Prayekti Murharjanti, et.al., Menutup Akses, Menuai Bencana, (Closing Access, Reaping disaster), ICEL, 2008.

II.3 DOCUMENT ACCESSIBILITY

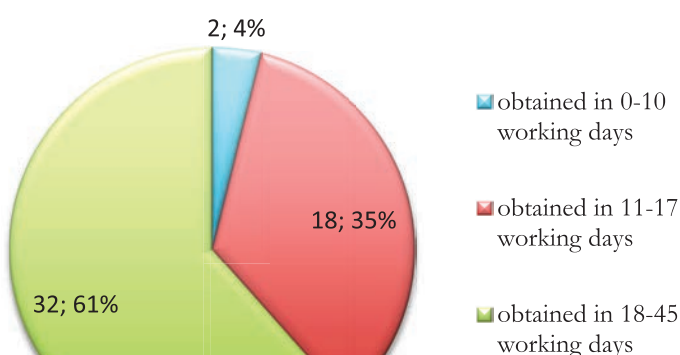
District governments have not yet implemented principles of fast, timely and cost-efficient information services as mandated by the Law on Public Information Disclosure (KIP). The majority of requests for documents related to land and forest governance were not responded to by district governments. Out of 311 document requests, 188 (60.5%) were not responded to (purple), 70 (22.5%) were responded to, though many of the responses were refusals to supply documents, with reasons given such as saying that the Pemda (local government) does not have the documents, Pemda is not authorized to give the documents, or that the documents were declared as confidential (green). Hence, the total number of unaccessible documents was 258. The remaining 52 documents were accessible upon request, and one document has been published, namely the Regional Regulation on Financial Statements in Bulungan.

Graphic 2.4 Document Access Status



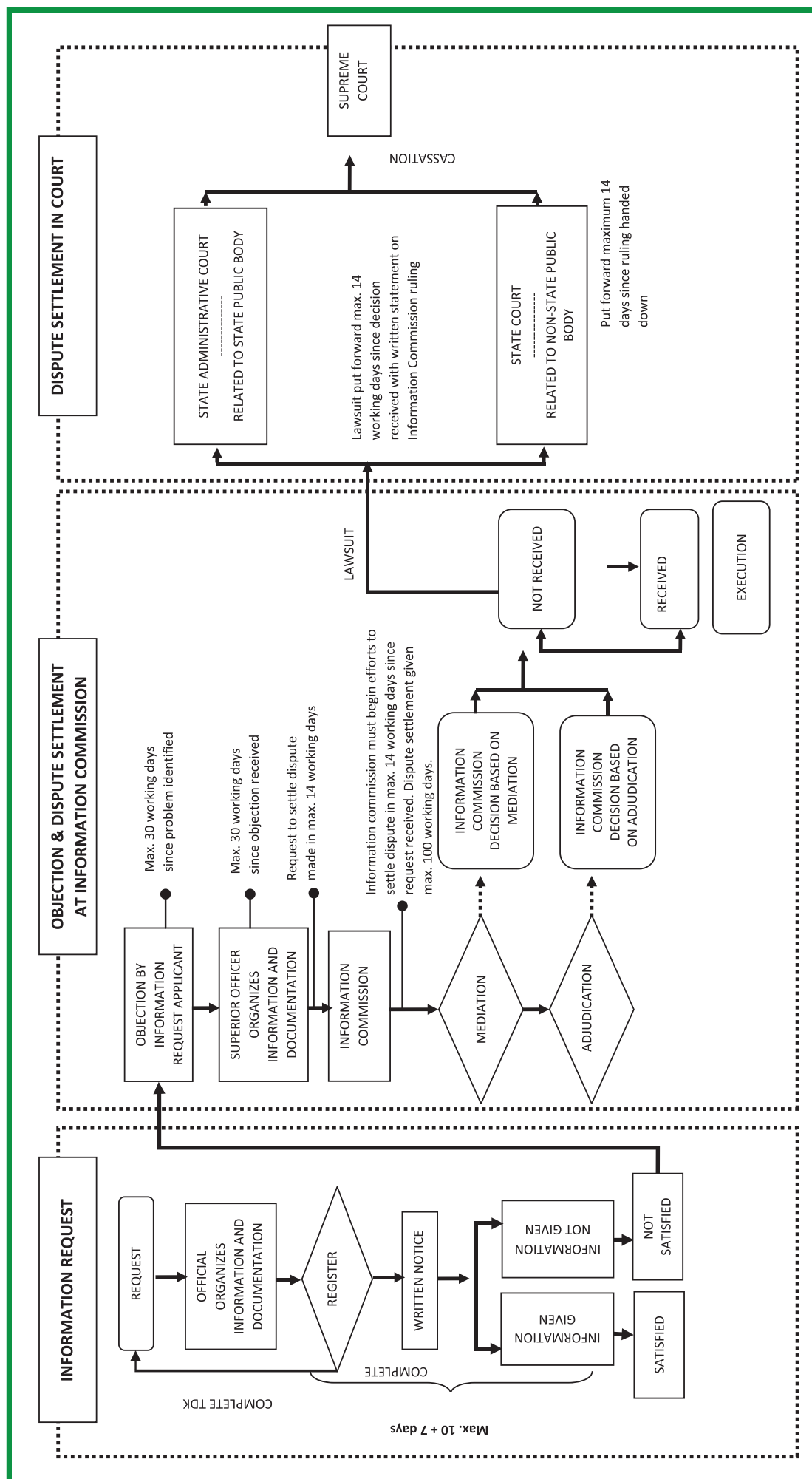
The majority of documents obtained upon request could only be obtained after an objection letter was first delivered. Thirty-two documents (61%) were obtained only when the parties requesting the information sent an objection letter regarding their requests for information that were earlier rejected or not responded to. This means that those documents could only be obtained within 18-45 business days. Meanwhile, 18 documents (35%) were obtained within their extension period and only two documents (4%) were obtained within ≤ 10 business days as mandated by KIP.

Graphic 2.5 Document Retrieval Time Upon Request



⁸ A total of 35 documents related to land and forest governance was requested in each district, bringing the total number of documents requested in the nine regencies to 315. However, four documents in three regions (Bulungan, Kubu Raya, and Paser) are under review, making them unaccessible as per the provisions of regulation. Therefore, they are not included in the index calculation.

BOX 2.2. FLOW CHART
REQUEST FOR INFORMATION UP TO DISPUTE SETTLEMENT IN COURT



Henri Subagiyo, et.al., Anotasi Undang Undang No. 14 Tahun 2008 Tentang Keterbukaan Informasi Publik (Edisi Pertama), Komisi Informasi Pusat RI, Jakarta, 2009, p. 398

Box 2.3

THE LONG ROAD TO ADVOCATING OPENNESS OF INFORMATION IN SOUTH SUMATRA

The birth of Law No. 14/2008 on Public Information Disclosure should have been a breath of fresh air for communities to monitor and get involved in development in their regions. The facts, unfortunately, show otherwise. In South Sumatra, for example, many local government officials continue to cover up information that, according to the law, should now be openly available.

The experience of FITRA, which carried out an access test in December 2012, is proof of this. FITRA requested information from a number of relevant SKPDs on the Regional Medium-Term Development Plan (RPJMD), Regional Spatial Plan (RTRW), Budget Working Plan (RKA), Budget Management Document (DPA) and several other documents. In the end, most SKPDs did not respond to their requests. Even objection letters delivered to the SKPD leaders remained unresponded to. A number of these SKPDs only finally gave the documents when FITRA raised the case with the South Sumatra Provincial Information Commission.

An even more concerning story was found when a request for information was delivered to the Environmental Agency (BLH). Upon rejection, FITRA lodged an appeal with the State Administrative Court (PTUN). Unfortunately, even PTUN's order for BLH to provide the requested document to FITRA was ignored. The PTUN Chairman then filed a petition for interim management to the Supreme Court, the Head of the House of Representatives (DPR RI) and the President of Indonesia. It was only at the request of the president (via Mensesneg No.12.229/M/Sesneg/D.4/PU.10.VI/9/2013) that BLH finally provided FITRA with the document.

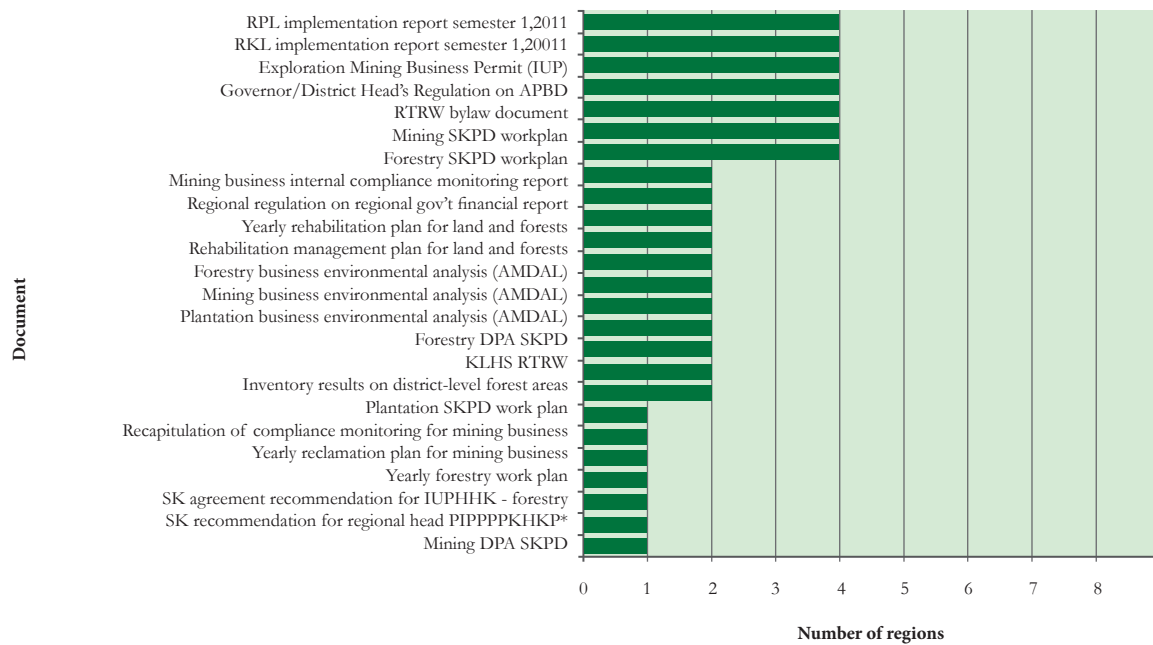
Until recently, another SKPD was reluctant to provide information, namely the Regional Finance and Asset Management Agency. For almost a year, FITRA has fought to obtain the document of the 2009-2011 APBD-Realization, 2012 APBD-Original and 2012 APBD-Amendment, through the Information Committee and Ombudsman of South Sumatra. Despite the fruitless efforts until now, FITRA will continue to fight for it.

Process of access test in South Sumatra

PUBLIC AGENCY (PROVINCIAL SKPD OF SOUTH SUMATRA)	REQUESTED DOCUMENTS	DOCUMENT ACQUISITION	PROCEDURES TAKEN	PERIOD*
BAPPEDA (Regional Development Planning Agency)	Provincial RKPD; RP- JMD; RTRW	YES	Directly given by SKPD	6 business days
Agriculture Office	2011-2012 RKA/DPA; Renstra SKPD	YES	Mediation - Provincial KI	38 business days
Forestry Office	2011-2012 RKA/DPA; Renstra SKPD	YES	Mediation - Provincial KI	40 business days
Plantation Office	2011-2012 RKA/DPA, Renstra SKPD	YES	Mediation - Provincial KI	36 business days
Mining & Energy Office	2011-2012 RKA/DPA; Renstra SKPD	YES	Adjudication - Provincial KI	90 business days
Environment Agency	2011-2012 RKA/DPA; Renstra SKPD	YES	Adjudication – PTUN/ Supreme Court (?)	193 business days
Regional Finance and Asset Management Agency	Perda & Pergub (Regional Regulation & Governor Regulation) of 2009 – 2011 APBD Realization; 2012 APBD Original; 2012 APBD Amendment	NO	Provincial Ombudsman	At the time of writing, the document had not yet been obtained

* the term commences from the date the request for information is delivered until the document is received

Graphic 2.6 Number of documents obtained



** The Decree of Recommendation of Regional Head for the approval of use permit and principal approval of forest area use for mining activities

Districts that are about to organize regional elections (Pilkada) are more reluctant to provide documents, particularly when incumbent district heads are running for reelection. Under such circumstances, researchers in the field noticed that the incumbent candidates held concerns about their political opponents. They were anxious that policy documents would be used by their opponents to damage their political image, making district governments overprotective in giving information to other parties outside the government. Some regions were even more extreme, and refused to give budget documents to their own counterparts within the same local government.

Constitutional guarantees and the enactment of the Public Information Disclosure Law (KIP) for more than five years have not yet been able to achieve transparency. The results of access tests in this study indicate the reality of transparency in Indonesia. Good governance has yet to be achieved as participation, accountability and coordination cannot operate optimally without transparency. Government commitment at the central level to improve governance remains under question, as for the past five years, monitoring of the enactment of KIP has not been optimal. As a result, there are still many district governments that are unwilling to open up information on land and forest governance to the public.

II.4. TRANSPARENCY OF THE DECISION-MAKING PROCESS IN THE LAND AND FOREST SECTORS

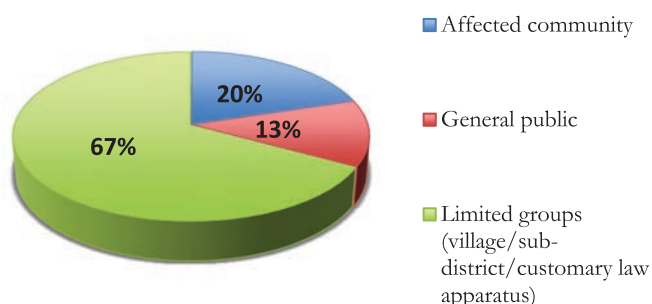
A transparent decision-making process in land and forest governance will encourage the birth of more accountable policies, aiming not only at prioritizing economic growth but at maintaining environmental sustainability and fulfilling the rights of communities. To this end, in each decision-making process, the government needs: (i) to give information on the schedule of discussion and stages of the decision-making process; (ii) to disseminate the information to the public, particularly to those to be affected by the policy/decision made; and (iii) to use various media in order to reach the wider public. These issues form the sub-components reviewed in this study.

Very few of the potentially affected communities receive information on decision-making in the forestry, mining and plantation sectors. The results of this study show that 67% of recipients of governance informations in these three sectors are village apparatus, sub-district apparatus, and customary leaders. Meanwhile, the proportion of recipients coming from the affected society is only 20%. Information on the area and distribution of

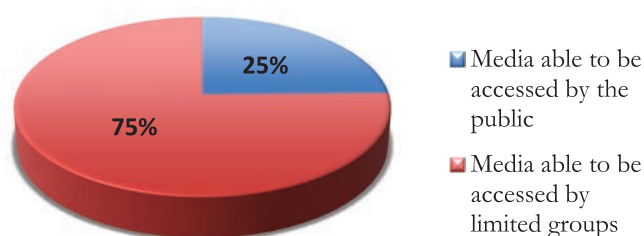
sites to be used for mining or plantations, information on AMDAL, and information on reclamation plans are even harder for the public to access, even though it is they who live around the planned mining and plantation sites and will be the most affected party. Minimum involvement of potentially affected communities in the decision-making process has the potential to create conflicts, and this does frequently occur.

The media used to disseminate information can only reach a limited group of society. One reason for the limited amount of information reaching potentially affected members of the community is the way district governments disseminate information, for example, by sending invitations or bulletins to limited groups, such as district government officials, village leaders or RT/RW heads. It is possible that district governments assume that it is enough to distribute information to these parties, since it is their job to disseminate information to the broader community. However, this next step never seems to eventuate. The data indicated that the community, particularly those potentially affected by development, still do not receive any information. In the meantime, the use of media capable of reaching the broader community, such as radio, print media, or television, is still rare.

Graphic 2.7 Proportion of Information Recipients



Graphic 2.8 Media for Disseminating Information



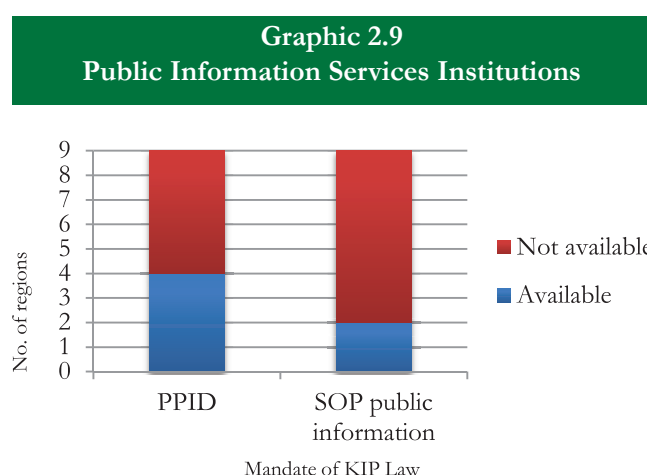
II.5. INSTITUTIONALIZATION OF INFORMATION SERVICES

There are at least two main requirements for developing infrastructure for public information services institutions, as mandated in Public Information Disclosure Law (KIP). These are the presence of Information and Documentation Managing Officials (PPID), and public information service standards. PPID officials are in charge of storing, documenting, providing, and/or serving information in a public agency. PPID and information service standards are two important matters in supporting public information services. That is why the two issues have been one of the indicators of transparency in this study.

The majority of districts were found not to have PPIDs, and those without information service standards were even greater in number. Only two regions, Berau and Musi Banyuasin, had assigned PPIDs via Regional Chairman's Decree. Bulungan and Musi Rawas have now also assigned PPIDs, but they were not appointed until the end of the study period. The same also happened in the preparation of public information service standards. Only the district governments of Musi Banyuasin and Banyuasin had introduced information service standards.

The commitment of local leaders is key to opening access to land and forest governance documents. A field fact in the majority of research areas indicated that the successful acquisition of land and forest governance documents was affected by the leader's "memo", not because of the existence of PPID officials. This, of course, is not an ideal condition since it is highly dependent on the leaders' discretion, which surely may change at any time. Every request for documents should be consulted with local leaders – some with the Local Secretary, and others via a Local Chairman. The assignment of PPIDs and establishment of information service standards surely give greater certainty of transparency, since the officials have clearer authority and information categorization, so that it is clear which documents are open and which are confidential.

Poor transparency at the district level occurs at every level of governance of the forestry, mining and plantation sectors, deriving from poor levels of information accessibility and a closed decision-making process. If no action is taken on this, the existence of Indonesia's forests will be endangered. It is highly likely that deforestation and forest degradation will continue without the involvement and monitoring of all stakeholders in forest governance.



CHAPTER III

HALF-HEARTED PARTICIPATION

III.1. INTRODUCTION

Participation is an action enabling one to exercise his/her rights to access information and influence decision-making. Participation does not only involve the method or approach used by decision-makers of involving stakeholders. More than that, participation is a citizen's right, and in international development institutions such as DFID, it is even seen as a human right.

Aside from being a right, participation also has an important function for improving the quality of public decisions. It is through participation that decision-makers gain information on the varied public interests they need to consider. Given that land and forest governance is a complex system, with each system related to another, governments must necessarily take into account the opinions of many parties. Under such conditions, public participation is not just important as a right, it also serves as a peer review tool on decisions and plans that could possibly affect or pose risks to society, the environment and natural resources. Therefore, public participation improves the quality of decision-making through bringing awareness of risks the decision itself poses, both to the decision-makers and the community.

District government performance in public participation in this study is measured through three main indicators, namely: (1) The available means of participation and the level of public involvement, to measure efforts by the district governments in pro-

viding participatory space starting from the stages of planning, management and monitoring, to law enforcement as well as public involvement from the beginning stages up to the point of decision-making; (2) Diversity of participants, to measure the variety of stakeholders involved in decision-making, and ensure participation and involvement of the affected portion of society; and (3) Supporting instruments, to measure the district government's efforts to provide legal certainty through strong regulations for stable and standardized participation management.

III.2. PARTICIPATION PERFORMANCE IN LAND AND FOREST GOVERNANCE

The majority of district governments showed poor participation performance in the forestry, plantation and mining sectors. The average index figure for this indicator in the nine study sites was only 15.5. This figure indicates that land and forest governance as carried out by district governments has negated the existence of communities as interested parties and stakeholders. It is therefore hardly surprising that rates of conflict and poverty around land-based industries is quite high.

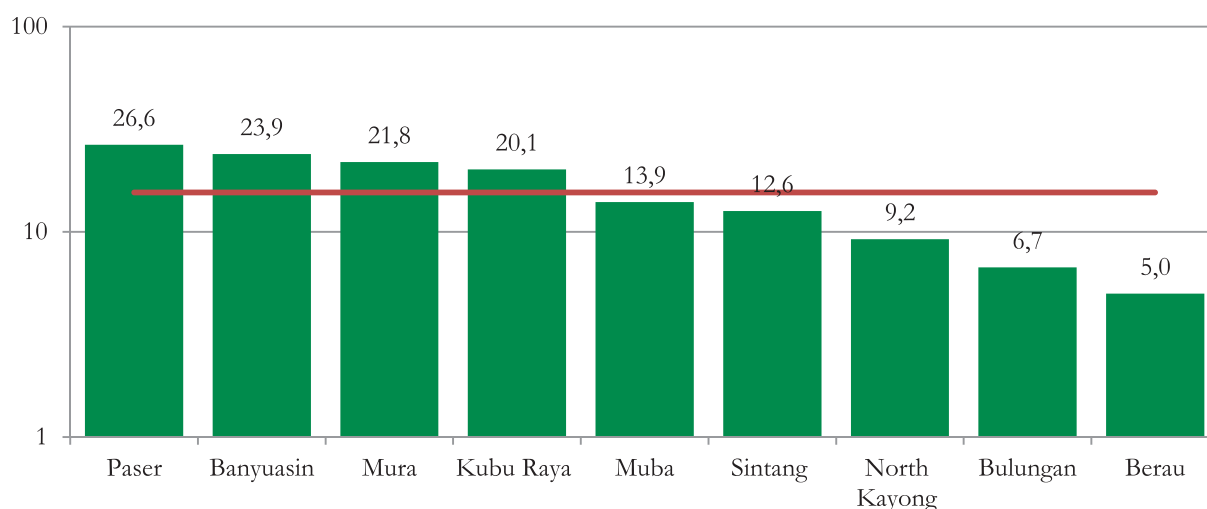
Eight of the nine regions produced a "poor" index figure for this indicator, with Paser as the only district to achieve a "medium" index, albeit at the lower end of the category. Paser achieved a higher index figure than others due to: (1) The availability of means and levels of participation, whereby many people were given opportunities to give their approval in decision-making, such as for KLHS preparation, RTRW preparation, forest area border ar-

⁹ Overseas Development Institute, July 2004, "DFID Human Rights Review", Page 16, accessible at <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2289.pdf>

¹⁰ Ibid, DFID Human Rights Principles, Annex 6.

¹¹ Silvio Funtowics and Jerome Ravetz, "Post Normal Science: Environmental Policy Under Conditions of Complexity", University of Bergen and Oxford, Sec. 2; See also Silvio Funtowics et.al., "Information Tools for Environmental Policy Under conditions of Complexity", European Environment Agency, 1999, p. 4.

Graphic 3.1 Regional Participation Index of Land and Forest Governance



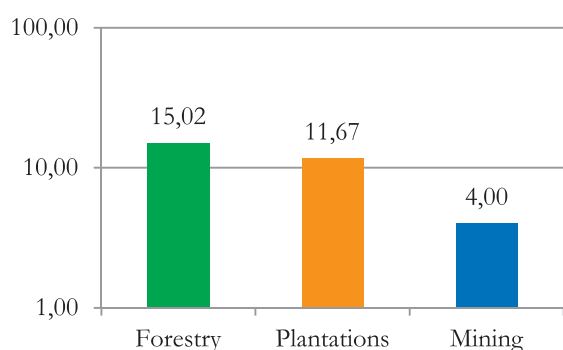
rangements and allocation changes, business permit grants, proposals and grants for Community Forest and village forest permits, RPRHL preparation, and land and forest fire control plans; and (2) Diversity in the participants involved in the decision-making process, achieved by giving a greater portion of involvement to those in the community immediately affected by the decision than to other stakeholders.

The participation performance in all sectors related to land and forests (forestry, plantations, and mining) was poor. All three sectors showed a poor index score: 15.0 for forestry, 11.7 for plantations and 4.0 for mining. These poor scores are due to: (1) the lack of public participation in deci-

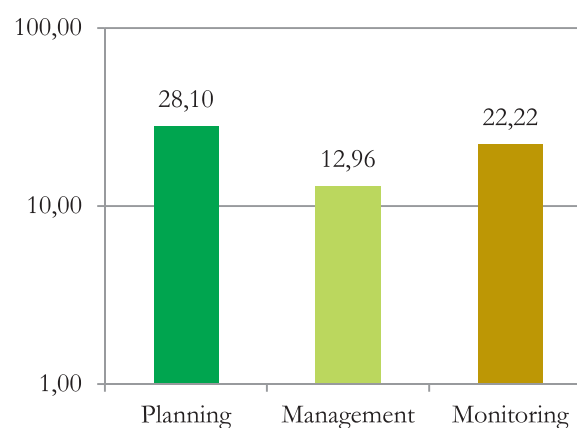
sion-making regarding business permit grants; and (2) the absence of clear and decisive regulations on public participation in giving recommendations to local chairmen for principal approval of forest area use, forest area release, and forest area allocation changes for plantation activities.

The district governments' performance in involving the public during the planning stage was better than during the stages of management, monitoring and law enforcement. Public participation during the planning stage achieved a "medium" index score of 28.10. This was better than during the management, and monitoring and law enforcement stages, which obtained only 12.96

Graphic 3.2 Participation Index by Sector



Graphic 3.3 Participation Index by Stage



and 22.22 respectively. The weak participation index during the management stage derives from the limited means of involvement, low levels of public involvement, limited variety of participants, and the absence of regulation instruments capable of ensuring stable and standardized participation.

III.3. MEANS OF PARTICIPATION & LEVELS OF PUBLIC INVOLVEMENT

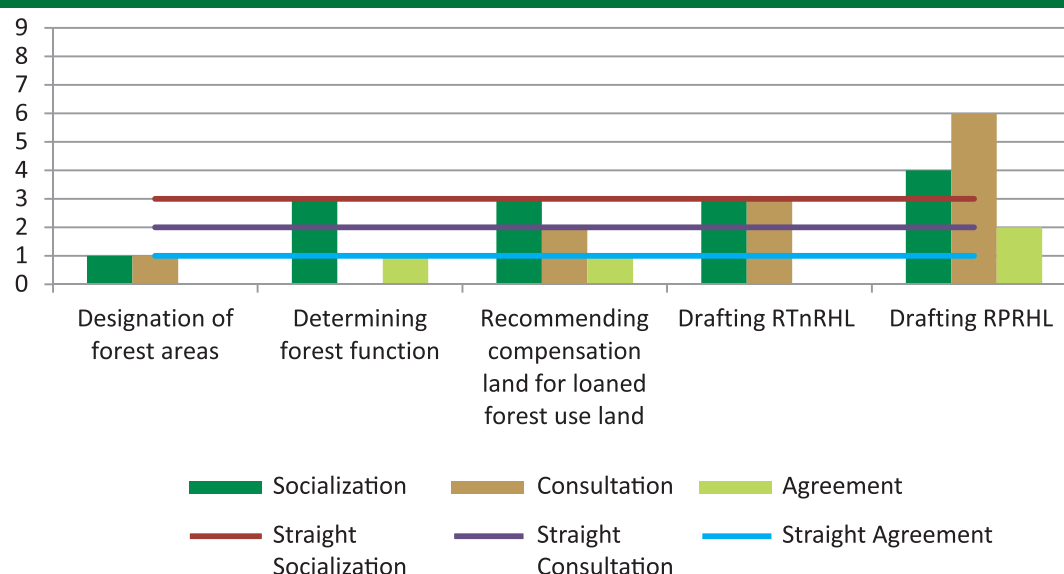
The means of participation is measured to see the district governments' efforts in providing space for the community to get involved during planning, management and law enforcement stages. In addition, means of participation are also measured to see whether the community is involved to an extent that enables them to approve or object to decisions made. In other words, looking at the means of participation aims at show the quantity and quality of participation in influencing decision-making.

District governments' efforts in providing means of participation remains low, to the point that some violations against legal regulations occur. Out of the total 261 means of participation supposed to be present, in the total research areas only 44%, or 114 means of participation, were found to be available. The most commonly employed means of participation was during the preparation of RTRW. Under the Spatial Planning Law, however, it is stated that the government should arrange spatial zoning (planning, utilization

and control) by involving the community. It is even more ironic to see what happens in the plantation and mining sectors. In applying for a proposal of allocation change, forest function transfer for plantations, and appraising and approving forest reclamation annual plans, not even one means of participation by the community was found. This lack of participation surely hinders the community's ability to ensure that the forest function transfer process for plantations and forest reclamation is carried out in an appropriate manner. Specifically, for participation in forest reclamation such absence of means of participation indicates that there have been violations of Government Regulation No. 76/ 2008 concerning Forest Rehabilitation and Reclamation, which requires public participation via consultation, partnership and dissemination of information.

The means of participation provided by district governments are mostly just for appearances. To determine whether participation has had any impact on decision-making, the level of such participation needs to be considered. The higher the participation level, ranging from dissemination to consultation and approval, the more influential it is on decision-making. The results of this study indicate that public involvement in the decision-making process has not been achieved at each level, from dissemination to approval/establishment. Therefore, it is hard to ascertain whether or not the community's ideas are actually accommodated in decision-making. Below is an illustration of participation levels:

Graphic 3.4 Means of Participation and Public Involvement Level

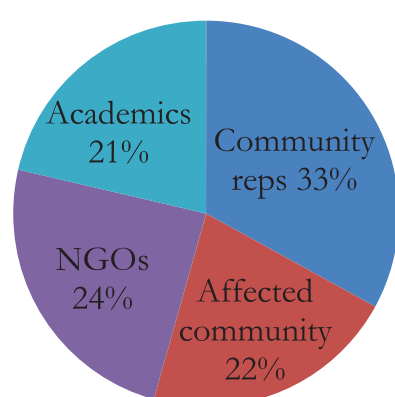


III.4. PARTICIPANT DIVERSITY

The variety of participants is measured to see the diversity of stakeholders being involved in participation process. There are at least five stakeholders supposed to be involved, namely community representatives, affected community groups, NGOs, business representatives and academicians. The more varied the participating parties, the better the participation range. Additionally, this section also aims to see the accuracy of organized participation, particularly in relation to the parties with the greatest interests, namely the affected community.

Affected communities do not constitute a significant portion of the total participants. Out of the total 206 participants identified in this study, only 22% of them were actually members of the affected community. Generally, the make-up of participants in the decision-making process was dominated by community representatives or general society, NGOs and academics. The affected community ought to be prioritized since they are the parties with the greatest interests in the decision taken.

Graphic 3.5 Participant Diversity



III.5. REGULATIONS

This section measures the attempts by district governments to provide legal certainty via regulations in order to guarantee that participation is standardized and performed consistently. Internally, regulations are required as guidelines to manage participation and strengthen any local planning and budgeting efforts. This study found difficulties in measuring regional regulations in relation to the limited participatory data that have been collected.

Therefore, we may conclude that the participatory performance by district governments in land and forest governance is generally poor. This is reflected in the minimum availability of space for participation, low levels of participation by the community, the minimum involvement of affected communities, and the lack of regulations ensuring that participation can be standardized and performed consistently. Some violations are even found in the provision of space for participation as required by Law No. 26/2007 concerning Spatial Planning and Government Regulation No. 76/2008 on Forest Rehabilitation and Reclamation. In the level of participation, this appears to be carried out only for appearances, since community involvement is very low right up to the stage of approval. This means that participation has hardly any impact on decisions made. As for the variety of participants, the governments have generally involved a diverse range of participants, but unfortunately, affected communities have not been prioritized. In terms of regulations, these are found to be minimum in supporting the management of consistent and standardized participation.

CHAPTER IV

LAND AND FOREST GOVERNANCE: ZERO ACCOUNTABILITY

IV.1 INTRODUCTION

Accountability is a very important component of good governance, in addition to transparency, participation and coordination. Accountability must be applicable at every stage, starting from the preparation of program activities in terms of public service, financing, management, evaluation and in its results and impacts. It is similar in the context of land and forest governance. When land and forests are governed in an accountable way, any issued policies and permits will be in accordance with laws and regulations, there will be internal monitoring to account for the permits and policies that have been made, and the public will have the opportunity to file objections to any permits or policies that may disadvantage the community and the environment.

The accountability component in this study consists of two sub-components: internal accountability and external accountability. Internal accountability is defined as the accountability of governance performance in the land and forest sector to other institutions in governance, either of equal position or higher in the hierarchy. As for external accountability, this is defined as the accountability of governance performance in the land and forest sector to the public as the beneficiaries of government services.

In measuring the level of internal accountability, this study examined to what extent the activities of land and forest governance at the district or municipal level have been conducted in accordance with laws, regulations and norms, procedures, standards and criteria (NPSK) established by higher governance

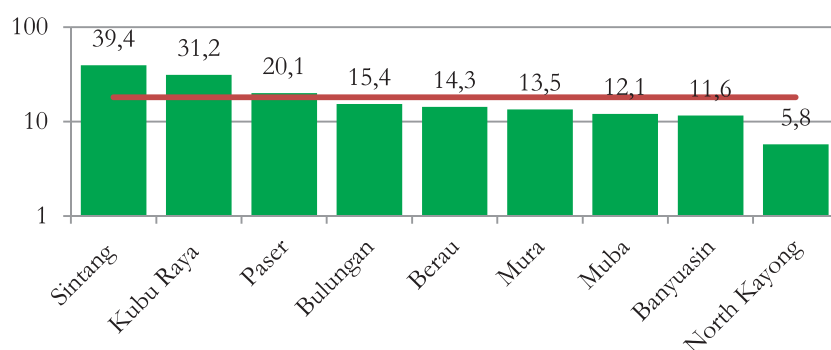
bodies, and the availability of internal monitoring mechanisms (for further information on this matter see the appendix on matrix of authority). Meanwhile, for external accountability, this study examined the availability of complaint, objection delivery and dispute management mechanisms related to land and forest governance. With any existing limitations, this study focused only on the availability of mechanisms and did not assess their effectiveness, although the researchers are aware that the availability of mechanisms does not necessarily assure that accountability is realized.

IV.2. ACCOUNTABILITY PERFORMANCE IN LAND AND FOREST GOVERNANCE

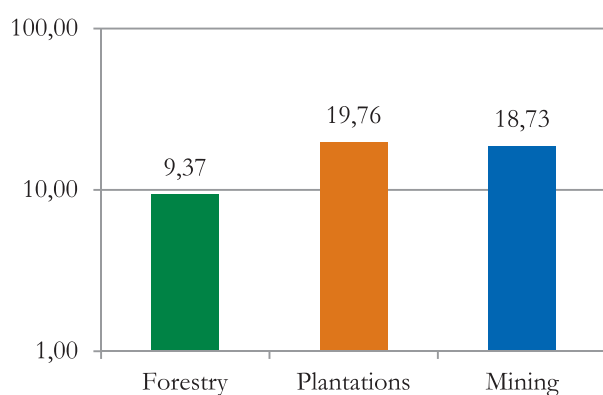
The performance of accountability in land and forest governance at the district level is generally poor. This is reflected in the average index score of only 18.1. Seven out of nine districts scored an index of less than 25.2, and only two scored an accountability index in the “medium” range, namely the districts of Sintang and Kubu Raya. Sintang scored the highest because it had a special team to handle objections from the community and to mediate any disputes that occurred between the community and plantation business players, referred to as the District Plantation Development Team (TP3K). This team was considered effective in settling any disputes related to land and forest use for plantation so that it was not necessary to proceed to the court. Meanwhile, average accountability in the other regions is low because they have generally not used their authority in accordance with prevailing regulations and NPSK standards.

¹² This study did not evaluate effectiveness specifically, but in some cases considered findings that were interesting and different from general findings, and conducted interviews to know more about and confirm these findings.

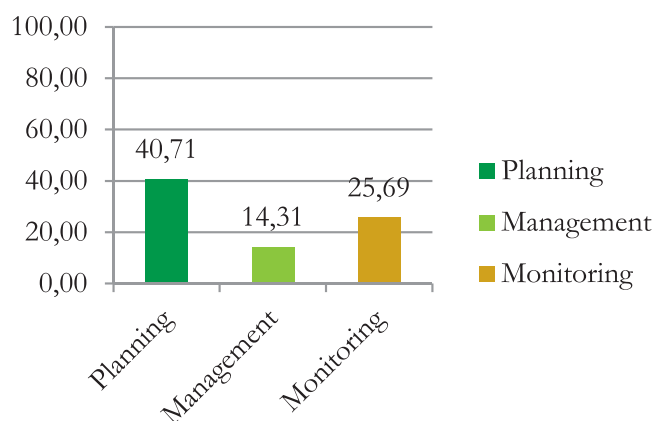
Graphic 4.1 Accountability Index of Land and Forest Governance



Graphic 4.2 Accountability Index by Sector



Graphic 4.3 Accountability Index by Stage



The accountability performance of governance per sector—forestry, plantations and mining—is poor. The plantation sector has a higher accountability index value (19.76) than the forestry sector (9.37) or mining sector (18.73). Overall, this result indicates that overall land and forest governance by local governments in all three sectors is not accountable. The poor index score for each sector is also a reflection of low accountability in the management stage (Graphic 4.3).

The accountability performance in the management stage is lower than the accountability performance in the planning stage. It is reasonable to assume that this was caused by the nature of decisions in the planning stage, the effects of which were felt by the community, while in the management stage the effects of these decisions were more real and concrete. This may be the factor that caused district governments to guarantee accountability more in the planning stage.

IV.3. INTERNAL ACCOUNTABILITY

Land and forest governance must be internally accountable. This means that district governments must comply with any norms, standards, procedures and criteria that have been established by higher governmental institutions. This is a responsibility of district governments to other government agencies in carrying out the duties of governance. This study observed internal accountability in spatial planning, KLHS preparation, land and forest inventories, and the issuance of permits to carry out activities in the land and forest sector.

Specifically, this study highlights the state of accountability in the permit-granting process because this process is prone to deviation and has a very high potential impact on deforestation and land degradation. The process of granting permits includes: granting of the Mining Business Permit, recommendations and technical considerations for for-

est area usage, granting of the Location Permit and Plantation Business Permit, proposals for changes to forest area allocation for plantations, recommendations in the application process for IUPHHK to the minister, granting of Timber Utilization Permits in APL, and granting of the Forest Timber Utilization Permit.

Regional spatial planning is still not accountable. Most districts ignore the norms, procedures, standards and criteria that have been established by the central government. The Spatial Planning Law mandates regions to revise their RTRW within two years since the law was introduced, while the Law of Environment Protection and Governance mandates that the preparation of RTRW must be preceded by studies of carrying capacity and capacity of the region (KLHS). However, by the end of the research period, only two regencies, Banyuasin and Musi Rawas, had made an RTRW. Furthermore, only Banyuasin had successfully arranged RTRW based on KLHS. This meant that seven regencies did not comply with the Spatial Planning Law. Despite violating this law, five other regencies—Bulungan, Kubu Raya, Musi Rawas, Sintang and Central Banyuasin—have tried to comply with the Law of PPLH by preparing KLHS. Specifically for Musi Rawas, KLHS was drafted after an RTRW had been made.

The delayed preparation of RTRW by the districts is not entirely the error of district governments. The central government also contributes, because it has not granted technical and substantial approval to proposals for amendment. This is probably due to the central government's reluctance to waive its authority to the regions, and its wish to prevent violations and laundering of spatial utilization by regions.

The drafted KLHS is still in the form of quick appraisal, thus it does not comprehensively reflect the analysis on carrying capacity and environmental capacity. It is generally drafted by private consultants whose quality of work is not guaranteed. These conditions exist because until recently, no government regulation had been made to provide guidelines for KLHS management. Current KLHS preparations are now based on Environment Minister's Regulation No. 27/2009 on Guidelines for Preparation of KLHS, which gives regions the opportunity to prepare KLHS via a quick appraisal method. This regulation allows local governments to hire consultant services to prepare KLHS, but does not give a minimum quality standard for the hired consultant. Therefore, there is a possibility that local KLHS will be prepared by an incompetent person.

The spatial data and information used in spatial planning is not up-to-date. This is another form of neglect in the preparation of RTRW. Only two districts, Banyuasin and Musi Rawas, were found to have up-to-date spatial information (renewed once every five years) and integrated this with sectoral and vertical institutions. The remaining regions still use out-of-date data in preparing spatial plans, although some of them—such as Kubu Raya, Paser, Sintang and others—had tried to integrate the data and information with other institutions. The slow update of data and information results in, among other things, weak regional capacity in data and information mapping and management. Meanwhile, the central government, which has sufficient capacity and financing, has not completed the mapping and updating process.

¹³ At the time of writing, the district of Bulungan had revised and promulgated its Local Regulation of RTRW, while its KLHS was in the preparation process.

District governments still do not collect information from the community and cross-check it in the field with spatial planning preparations.

When the data and information owned by district governments are not up-to-date, governments should try to find other sources of information, such as by collecting information from the community and cross-checking this in the field. Unfortu-

nately, very few regions follow this method. Only Sintang, Paser and Bulungan have tried to do both. The remaining regions only used the existing out-of-date literature without cross-checking it in the field. Because of this, overlapping land use boundaries is common and conflict with communities often occurs.

Table 4.1 District Spatial Planning Process

	Status of Local Regulation of RTRW		KLHS for RTRW		Collection of Information on Community Aspirations for RTRW				Means to Obtain Information on Physical and Socio-Economic Condition of Area	
	Local Regulation of RTRW	Approval of the Central Government	Process with KLHS	Process without KLHS	Via questionnaire	Via Public Consultation	Via Interview	No Info Collected	Literature Material	Region Visited
Banyuasin	✓		✓					✓	✓	✓
Berau		✓		✓				✓	✓	
Bulungan		✓	✓			✓	✓		✓	✓
North Kayong		✓		✓				✓	Data Not Available	
Kubu Raya		✓	✓						✓	
Musi Banyuasin		✓		✓	✓				✓	
Musi Rawas	✓			✓				✓	✓	✓
Paser		✓	✓		✓	✓	✓		✓	✓
Sintang		✓	✓		✓	✓	✓		✓	✓

ONE MAP: A GLIMMER OF HOPE FOR SPATIAL PLANNING

The condition of spatial planning in Indonesia is still far from expectations. Overlapping land use still often occurs and legal violations and conflicts occur everywhere. This is acknowledged by the central government. The RPJMN 2009-2014 states that this spatial planning problem results from a lack of optimizing the national survey and mapping coordination activities, insufficient spatial data and information, insufficient access to data and information, and lack of human resources in the survey and mapping sectors. A lack of updated spatial data and information has the potential to result in errors in determining the direction of spatial planning and land utilization because of a potential gap between the spatial data and information being used, and the real condition in the field.

In order to improve this situation, in the context of the national moratorium on granting new permits for the use of peatland and primary forest, the central government through UKP4 and the Agency for Geospatial Information is attempting to draft an integrated map, known as One Map. In addition, the government is also creating a Spatial Data and Information Network through Presidential Decree No. 85/2007. This network will be assigned to coordinate government institutions that produce spatial data and information at the central and local levels. A single map containing integrated spatial data and information, acknowledged and referred to by all stakeholders of forest and land governance, will minimize potential conflicts and legal violations related to the confirmed status of an area.

There are still many forest and land areas that have not been inventoried. Even among those that have been inventoried, many are not in accordance with guidelines established by the Forestry Ministry. In forestry planning activities, district governments are authorized to have protected forest area, production, and DAS scale inventoried at the district level. Inventorying aims to examine the resources potential of a region as the

basis for sustainable utilization. However, there are still four districts in this study that have not inventoried their forest and land resources. There are indications that the districts assume that inventorying is not under their authority. While five regions have been inventoried, the process has not been in accordance with the guidelines as established by the Forestry Ministry. Only one district in this study, Paser, is considered to have met the standard.

¹⁵ Government Regulation No. 38/2007 Jo. Forestry Minister's Regulation No. P.67/Menhut-II/2006

Table 4.2 Forest Area Inventorying by District Governments

	Have been inventoried				Have not been inventoried
	Compliant with standards and published	Compliant with standards, not published	Not compliant with standards, published	Not compliant with standards and not published	
Banyuasin		✓			
Berau					✓
Bulungan					✓
North Kayong		✓			
Kubu Raya					✓
Musi Banyuasin					✓
Musi Rawas		✓			
Paser	✓				
Sintang				✓	

Policy on granting mining permits is not accountable as it does not explain the process to the permit applicants. District governments have the authority to issue mining business permits. This authority was recently strengthened by MK decree No. 10/PUU-X/2012, which confirmed the authority of district governments to determine the establishment of mining areas. Unfortunately, the granting of authority has not been accompanied by a spirit of accountability by district governments in managing mining in their regions. This is reflected in the

policies governing the granting of mining business permits in the areas of study, while in most cases not including the terms of the permit issuance process. A lack of clarity regarding the timeframe of the process creates uncertainty for business players. In addition, it opens opportunities for corruption by the permit-issuing officers, who intentionally prolong the processing time in order to ask for money from the applicant in exchange for speeding up the process.

¹⁶ Article 37 Law No. 4/2009 concerning Coal and Minerals

¹⁷ Decree of MK No. 10 /PUU-X/2012 concerning the examination of Law No. 4 of 2009 filed by the applicant H. Israan Noor (Regent of Kutai Timur, East Kalimantan) states that the phrase “after coordinating with the District Government” in paragraph 6 (1) item e, article 9 paragraph (2), article 14 paragraph (1) and article 17 Law No. 4 of 2009 have no permanent legal force, as long as it is not interpreted “after determined by District Government”. The implication of this decree is a confirmation of regional authority to designate the mining area (WP), mining business area (WUP), and area and border of mineral and coal mining business permits (WIUP).

¹⁸ This is confirmed in the ICEL research made previously concerning Integrated Permits in Central Kalimantan in Feby Ivale-rina Kartikasari, et. al., *Perizinan Terpadu Untuk Perbaikan Tata Kelola Hutan di Indonesia: Studi Kasus Kalimantan Tengah*, (Jakarta: ICEL, 2012), Hal. 38.

Integrating licencing for the improvement of forest and land governance in Indonesia (a case study of Central Kalimantan)

Table 4.3. Mining Business Permit Issuance Accountability Mechanism

	There is a mechanism that gives:				No mechanism
	Clarification of the timeframe for the process	Clarification of the stages in the process	Clarification of staff/units processing the application	Clarification of cost	
Banyuasin		✓	✓	✓	
Berau			✓		
Bulungan		✓	✓	✓	
North Kayong	✓	✓	✓	✓	
Kubu Raya			✓		
Musi Banyuasin			✓		
Musi Rawas		✓	✓	✓	
Paser			✓		✓
Sintang	✓	✓		✓	

The conditions are very dangerous given the number of mining permits that have already been issued in the provinces under study, as reflected in the table below. The availability of clarifying information regarding the stages in the process, the staff/units responsible and the cost are important, but even more importantly, accountability will not be realized when there is no clarification about the terms and processes.

Permits for mining activities within their borders. However, some districts in this study do not seem to have made use of this authority to prevent damage to forests. Based on the results of the study, there are two possibilities why district governments act in this way. First, they may consider a letter of recommendation as merely an administrative requirement, and therefore deem it as unimportant. Second, some district governments intentionally avoid completing

Table 4.4 Total Number of Mining Business Permits Issued in the Provinces Studied

South Sumatra	West Kalimantan	East Kalimantan
343	235	788

Letters of recommended approval for Principal Permits and Limited Use Permits have not yet been used as an instrument to control the issuance of permits that could potentially harm the environment (also known as an Environmental Safeguard Mechanism) by some district governments. District governments have the authority to give recommendations regarding the application of Principal Approval and/or Forest Area Use

the recommendation letter so that the Forestry Ministry does not directly observe the location and condition of the forest area marked to become a mining location. In this way, they are able to take advantage of this loophole by directly issuing Mining Business Permits in forest areas. This practice is encouraged by the central government by a lack of monitoring and by continuing to issue Principal Permits or Use Permits without first requesting a recommendation letter.

¹⁹ JATAM 2011

Table 4.5
Documents Required for the Issuance of Principal Approval Recommendation
and/or Permits to Use Forest Areas for Mining by the District Government

	Recommendation Issued With:			Recommendation is not Pursuant to the Provisions
	Location of requested area	Width of Requested For- est Area with Map	Condition of Forest Area	
Banyuasin				✓
Berau	✓	✓	✓	
Bulungan				
North Kayong				✓
Kubu Raya				✓
Musi Banyuasin	✓	✓	✓	
Musi Rawas				✓
Paser	✓	✓	✓	
Sintang	✓	✓	✓	

Table 4.6
The Principal Approval and Land Use of Forest Areas for Mining Activities
In the Provinces Studied

	South Sumatra	West Kalimantan	East Kalimantan
Total Units	33	12	105
Total Area (Ha)	13,790.35	12,887.84	186,382.31

The Issuance of Technical Consideration in issuing IUPHHK has functioned as a controlling instrument in granting permits that could potentially damage the environment by most district governments. Different to the mining and plantation sectors, in which the authority to grant permits has been decentralized, in the forestry sector, the authority is still centralized under the Forestry Ministry. In the context of issuing IUPHHK,

district governments only have the authority to give Technical Considerations as the basis for issuing a governor's recommendation to obtain an IUPHHK from the Forestry Minister. Most regions in this study have implemented this authority well, in accordance with prevailing regulations. The general compliance of district governments is possibly because there is no incentive for them to prevent or approve the utilization of the forest products in the form of timber.

²⁰ The Director General of Forestry Planology 2012.

Table 4.7
Technical Considerations by District Governments in Issuing IUPHHK

	Grant of Technical Consideration by Enclosing			Grant of Technical Consideration is not in accordance with provisions
	Location of requested area	Total area of requested Forest Area with Map	Condition of Forest Area	
Banyuasin				✓
Berau	✓	✓	✓	
Bulungan				
North Kayong				✓
Kubu Raya	✓	✓	✓	
Musi Banyuasin	✓	✓	✓	
Musi Rawas			✓	
Paser	✓	✓	✓	
Sintang	✓	✓	✓	

Most district governments do not pay attention to the function of forest areas in proposing a change in forest allocation to open plantations.

The high demand for plantation products, primarily palm oil, and the authority given by the Plantation Law to regions to issue Plantation Business Permits have made district government compete with the Forestry Minister in proposing changes to forest allocation to open plantations. Unfortunately, seven out of the nine district governments studied did not pay attention to the function of forest areas when proposing changes to forest allocation outside of the Converted Production Forest (HPK) area. Indeed, the extant regulations do not expressly state that changes in forest allocation may only be performed in HPK, but if local governments care about the sustainability of forest functions, they should prioritize this.

IV.5. EXTERNAL ACCOUNTABILITY

The existence of complaint institutions and mechanisms is the minimum condition which must be fulfilled by the government as a part of minimum standards of public service. The Law of Public Service mandates the government to provide a means of complaint, to assign a competent executor for complaint management and to prepare a fast and comprehensive settlement procedure. With reference to the aforementioned provision, this study measures external accountability as a sub-component of accountability in land and forest governance by assessing the existence, accessibility and effectiveness of complaint mechanisms in the performance of land and forest governance at the district level. There is also scope in the discussion in this section to covers external accountability in the processes of spatial planning, forest area border arrangement, permit issuance, recommendations or technical considerations, and conservation and rehabilitation activities conducted on forests and land.

Complaints and objections from the community in the spatial planning process are still handled in a sectoral manner. The spatial planning process is an important stage in determining the further direction of spatial utilization. The Local Spatial Plan as the output of the planning process is the legal basis for spatial utilization, including the issuance of permits in the land and forest sectors. Therefore, drawing attention to sectoral interests in the spatial planning process cannot be avoided. In such conditions, the management of complaints and objections that are not addressed integrally will not be able to resolve the issue comprehensively.

Most district governments have not settled disputes with a third party in the process of managing forest area borders. In the planning stages

of forestry, the district government has the authority to determine forest areas, in the form of forest area allocation and management of forest area borders. The process of establishing forest areas is one of the most vulnerable steps in the forest planning process and can result in conflict with the community. Unfortunately, the laws and regulations have been designed in such way that the process of dispute settlement in forest area border arrangements is entirely the duty of the district government, while the central government does not monitor the process or provide adequate incentives to regions to resolve disputes. A lack of budget allocation is often a reason for district governments to act slowly in settling disputes over border area arrangements. Consequently, there are still many regions where until recently border arrangement disputes have still not been settled.

Table 4.8
Settlement of Forestland Boundary Demarcation Disputes

	Settled Disputes		Unsettled Disputes	The existence of dispute settlement institutions
	Based on Mutual Agreement	Unilateral		
Banyuasin			✓	
Berau			✓	
Bulungan				
North Kayong			✓	
Kubu Raya	✓			✓
Musi Banyuasin			✓	
Musi Rawas			✓	
Paser			✓	
Sintang		✓		✓

Most districts don't have institutions for receiving complaints about the issuance of permit recommendations, technical recommendation activities, and forest conservation and protection activities. In order to ensure public accountability, mechanisms and institutions to receive and manage complaints regarding the regions' authority to grant permits, recommendations, and technical considerations are absolutely required. This is in line with the spirit of the Spatial Planning Act, which opens an opportunity for the community to deliver any objections to spatial utilization when they consider the spatial utilization has caused them loss. Unfortunately, almost all of the study areas do not

have such institutions or units, and so the community cannot deliver their complaints or objections.

In the mining sector, only three regions have institutions to receive complaints and objections regarding Mining Business Permits, namely Kubu Raya, Paser and Sintang. However, the institutions in these three regions do not exist independently, but are attached to the SKPD in charge of mining affairs, and are not confirmed in a written form such as a Local Regulation. The institutions only exist in the capital city of each district, so it is difficult for remote communities to access them. They also do not have a mechanism to reach the community more proactively.

Box 4.2

Make TP3K an Institution to Manage Complaints and Settle Disputes

The TP3K (District Plantation Supervisory and Development Team) in Sintang district, which follows up on community complaints about plantation and forestry activities, contributes significantly to the district's high accountability score. Initially, the initiative to form the TP3K by the Sintang government was understood as the region attempting to settle any complaints and disputes in the plantation and forestry sectors that could constrain economic development in the region. In terms of dispute settlement, TP3K is well appreciated, as dispute settlements are not prolonged or brought before a court. However, TP3K is not free from negative attention—local mass media often allege TP3K partiality to some companies in the process of mediation.

The granting of great authority to the districts over land and forest governance has not been accompanied by mechanisms to ensure accountability, either external or internal. Regarding internal accountability, improving the quality of planning and granting of permit policies in the forest and land sector is in the hands of the district government. Compliance with norms (regulations), standards, guidelines, and criteria (NPSK) that have been established by higher level governmental institutions is one of the methods that may be used. However, it should also be understood that NPSK as a reference must prioritize environmental interests, so that evaluation of NPSK as the reference must also be prioritized by the government.

In the context of external accountability, district governments must be able to ensure that the community has the opportunity to file any complaints or objections regarding land and forest governance activities. District governments can optimize the existing institutions or mechanisms to receive and follow up on any complaints regarding land and forest governance activities. The complaint mechanism and the assurance of a follow-up to complaints delivered by the public may decrease any dissatisfaction or conflict arising in the field.

Table 4.9.

Institutions for Permit Issuance Complaints, Recommendations and Technical Consideration in Land and Forest Governance Under District Government Authority

	Mining Business Permit					Recommendation on Forest Area Use for Mining					Plantation Business Permit					Submission of Proposal for Shift in Forest Allocation for Plantation					Technical Consideration for IUPHHK					Forest Timber Utilization Permit by District					Timber Utilization at APL Permit				
	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E					
Banyuasin					✓					✓					✓					✓					✓					✓					
Berau					✓					✓					✓					✓					✓					✓					
Bulungan					✓					✓					✓					✓					✓					✓					
North Kayong					✓					✓					✓					✓					✓					✓					
Kubu Raya				✓					✓					✓						✓					✓					✓					
Musi Banyuasin					✓					✓					✓					✓					✓				✓						
Musi Rawas					✓					✓					✓					✓					✓					✓					
Paser				✓						✓					✓					✓					✓					✓					
Sintang				✓					✓						✓					✓					✓					✓					

Description:

- A. Specifically institutionalized, existence confirmed by a regulation or policy
 B. Institutionalized in each unit that issues Permit/Recommendation/Technical Recommendation, existence confirmed by a regulation or policy
 C. Institutionalized in each unit that issues Permit/Recommendation/Technical Recommendation, existence confirmed by a regulation/policy
 D. Institutionalized in each unit that issues Permit/Recommendation/Technical Recommendation, existence not confirmed by a regulation or policy
 E. No Institution for Complaints

²¹ The research was made in December 2012

CHAPTER V

MINIMUM COORDINATION, LACK OF SYNERGY

V.1. INTRODUCTION

One characteristic of good governance is the effective and efficient use of structures and resources by coordinating with various relevant parties. Coordination nowadays is essential, considering that the complexity of governance affairs leads to problems that cannot be settled by a single unit or organization. In terms of management, governance coordination can be achieved by forming specific institutions or through communication among units or institutions.

This study aimed to measure the level of coordination achieved by district governments in land and forest governance. The analysis is limited only to the existence of local coordination mechanisms as a minimum indicator of coordination management, either vertically (between levels of governmental institutions) or horizontally (between governmental institutions in a region and between governmental administration area). The scope covers the coordinating institutions in the planning stage (spatial planning and forestry), coordination in the granting of permit, recommendations and technical coordination, and coordination in arranging plans for forest rehabilitation and reclamation.

As a minimum indicator, the coordination mechanism does not necessarily guarantee that coordination runs effectively. Other matters are required, such as the mandate of regulations, clarity regarding the persons in charge, capacity of an appropriate executor and so on to realize coordination. This study is only a preliminary reference to encourage district governments to ensure that coordinating institutions and mechanisms exist before they later ensure that the mechanisms are working.

V.2. COORDINATION PERFORMANCE IN LAND AND FOREST GOVERNANCE

The performance of coordination by district governments in land and forest governance landed in the “medium” category. Commitment by district governments to carry out coordination must still be increased. For the nine study areas, the average score for coordination was 31.34. Five of the nine study areas scored lower than 29.2, meaning that their coordination efforts were classified as “poor”. These five districts scored poorly because they had no specific institutions with clear duties and functions to coordinate, and had no financing support from the Local Budget.

The two districts that scored highest in terms of coordination (70.8) were Sintang and Paser. The high index score for Sintang and Paser when compared to other regions was influenced by the existence of coordinating institutions and mechanisms in both districts. In Paser, BKPRD as a coordinating institution for spatial planning operates well enough, not only in the planning stage, but also in spatial utilization. In Sintang, the district government had the initiative to form TP3K (District Plantation Development Team) as a cross-sector coordinating institution at district level for the management of land and forests, specifically in plantation activities. Both institutions had full financial support from the Local Budget.

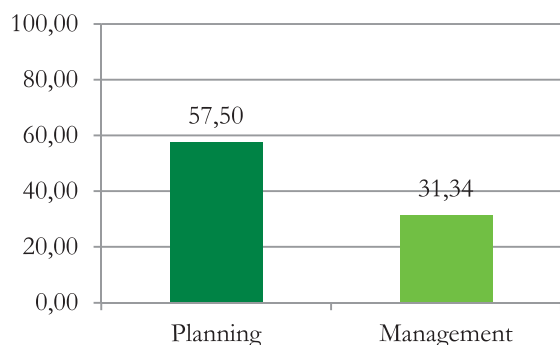
Graphic 5.1 Regional Land and Forest Governance Coordination Index



The coordination performance in the planning stage is “good”, while the index for the management stage is only classified as “medium”. Coordination in the planning stage operates better than in management stage. This is appears to be because of the express mandate of laws and regulations to the district government to coordinate in spatial and forestry planning. The Spatial Planning Law states that spatial planning activities must pay attention to integration principles, and that implementation

should integrate various cross-sector, cross-region, and cross-stakeholder interests. In order to realize this, the central government must form a coordinating institution to manage spatial planning at the national and regional levels. Similarly, it is also mandated on forestry planning activities by government regulations concerning forestry planning. With the mandate of the laws and regulations, there is a strong legal force for governments to coordinate in the stage of planning activities.

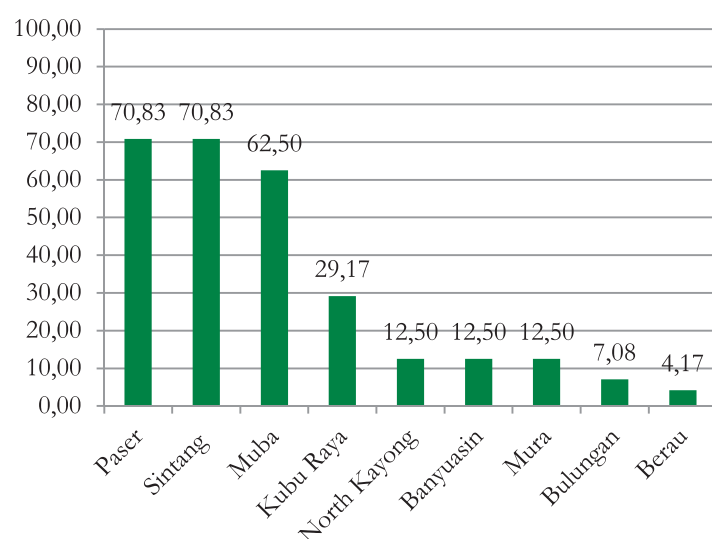
Graphic 5.2 Coordination Index per Stage



In the forest management stage, coordination is not well performed because there is no strong legal basis to force district governments to perform cross-institution coordination. In addition, in the management stage, the greatest portion of activities is taken up by the granting of permits, recommendations and technical considerations that can give direct incentives to the issuing officer or institution. The issuing officer or institution may have an interest to issue the permit without any intervention from other parties to protect its own interests.

²² Specifically for coordination components, this study is limited only to the planning and management stages. The monitoring and law enforcement stages are not measured because these are performed independently without intervention by the other parties, including other governmental institutions.

Graphic 5.3 Coordination Index of Management Stage



V.3 VERTICAL AND HORIZONTAL COORDINATION

In addition to the existence of coordinating institutions, as outlined in the findings in the previous section, the sub-components of the coordination index are vertical and horizontal coordination in land and forest governance. Vertical coordination is reflected in the mutual synergy between local-level government institutions and higher government institutions. Horizontal coordination is reflected in the mutual synergy between government institutions on an equal level. This section will present the findings of the study related to spatial data and information coordination, as well as coordination in the inventory process. Both are of the part of planning stage.

Very few districts have coordinated spatial data and information in the process of spatial planning. In spatial planning activities, coordination is reflected in the extent to which the spatial data and information are mutually integrated, both vertically and horizontally. The study indicates that only three districts have achieved this level of coordination, namely Banyuasin, Kubu Raya and Musi Rawas. Two other districts, North Kayong and Musi Banyuasin, do not coordinate their spatial data and information. Because of this lack of coordination, the spatial planning process is certainly inaccurate. This eventually becomes a source of overlapping utilization and ownership, leading to conflict.

Table 5.1. Spatial Data and Information Integration

	Integration of Spatial Data and Information		Spatial Data and Information Not Integrated
	With Equal-Level Institutions	With Hierarchically Higher Institutions	
Banyuasin	✓	✓	
Berau	✓		
Bulungan	✓		
North Kayong			✓
Kubu Raya	✓	✓	
Musi Banyuasin			✓
Musi Rawas	✓	✓	
Paser		✓	
Sintang		✓	

There is no sectoral coordination or cross-regional coordination in the preparation of forest inventorying. This indicates that there is no ecosystem-based perspective on land and forest governance. Inventorying of forests is needed to find out the potential forest resources in a certain area. The inventory results are a resource for forest use planning documents at the district level, so that district governments can make use of forest resources sustainably. Therefore, coordination between sectors within a district, between districts, and between districts and the central government is necessary. However, as the study shows, the majority of district governments—in this instance units that are responsible for forestry—have not yet coordinated with other units/

sectors. Only Kubu Raya and Sintang have already coordinated with other units/sectors. Meanwhile, coordination with other districts has not occurred at all. This is despite the fact that land and forest governance must be based on ecosystems, not administrative areas (for example, districts).

The will of district governments to coordinate with institutions at the central level in their area should be appreciated. There are five regencies that have already done this. Central institutions at the regional level generally have the capacity and infrastructure to perform inventorying better than district governments. This seems to be one of factors that district governments need to coordinate with them on.

Table 5.2. Coordination in Land and Forest Inventorying

	Inventorying in Coordination With:			No Coordination	No Inventorying
	Equal-level government institutions	Cross-District government institutions	Central agencies in the regions		
Banyuasin			✓	✓	
Berau					✓
Bulungan			✓	✓	
North Kayong			✓	✓	
Kubu Raya	✓		✓		
Musi Banyuasin					✓
Musi Rawas			✓	✓	
Paser			✓		
Sintang	✓			✓	

Based on the findings above, it is evident that land and forest governance has not been well coordinated. One reason is because there are still many regions that do not have coordinating institutions and have not allocated their funds specifically toward improving the work of coordinating institutions.

District governments tend to coordinate when there is a specific regulation that mandates the coordination. It will be difficult to realize sustainable forest and land management when there is no improvement in coordination among sectors, units/institutions and levels of government.

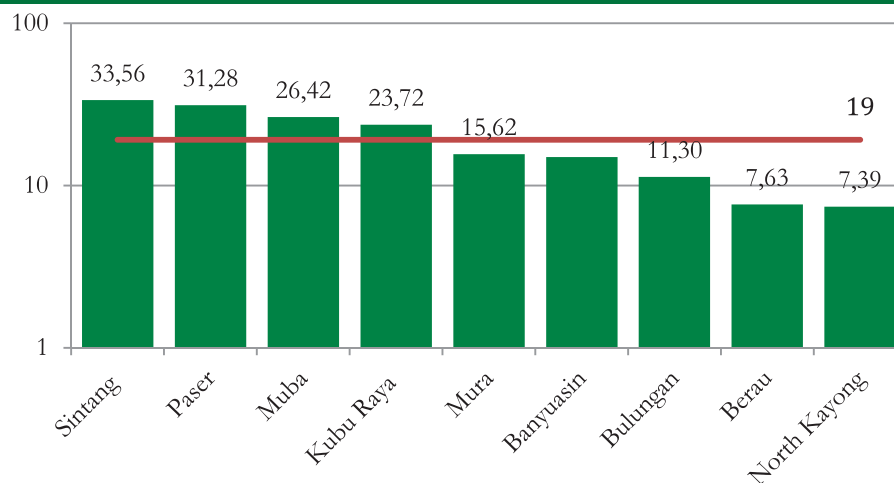
CHAPTER VI

LAND AND FOREST GOVERNANCE INDEX IN NINE REGENCIES: A POOR PORTRAIT OF LAND AND FOREST GOVERNANCE

The Land and Forest Governance Index (IKHL) is established based on the average index of the components of transparency, participation, accountability and coordination. The index gives the same weight to each principle, without prioritizing one over another. This study considers the four components to be of equal importance in land and forest governance, although some consider transparency to be a more important value to achieve a better governance, because without transparency, it is difficult to realize the other components of participation, accountability and coordination.

The result of the index calculations indicates that the current state of land and forest governance is not satisfactory. The reality of transparency, participation, accountability and coordination in land and forest governance is still poor. On a scale of 0-100, the average index score achieved by the nine study areas was only 19. This score indicates that the condition of land and forest governance is still far from the expected ideal conditions.

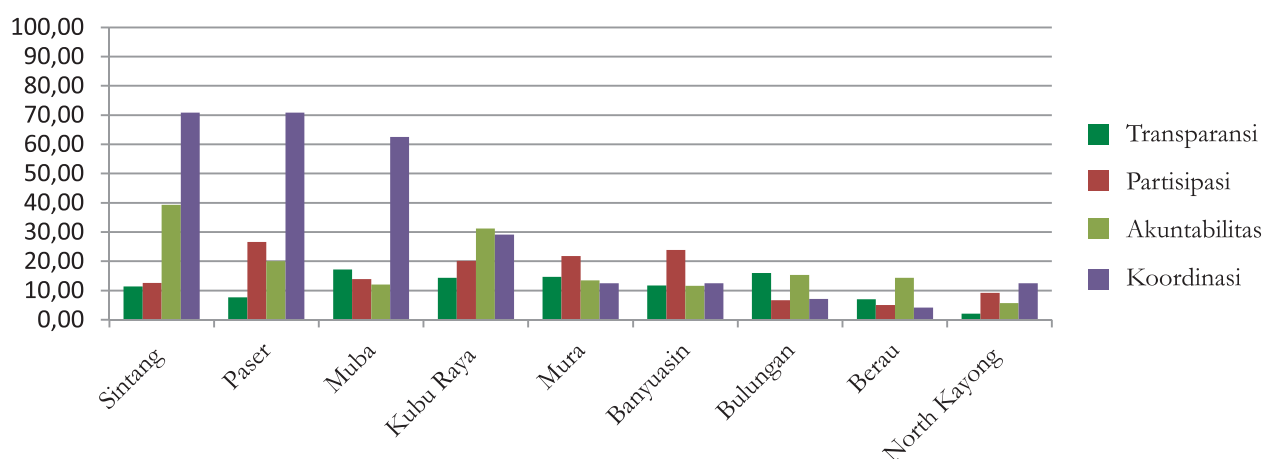
Graphic 6.1 Aggregate Land and Forest Governance Index



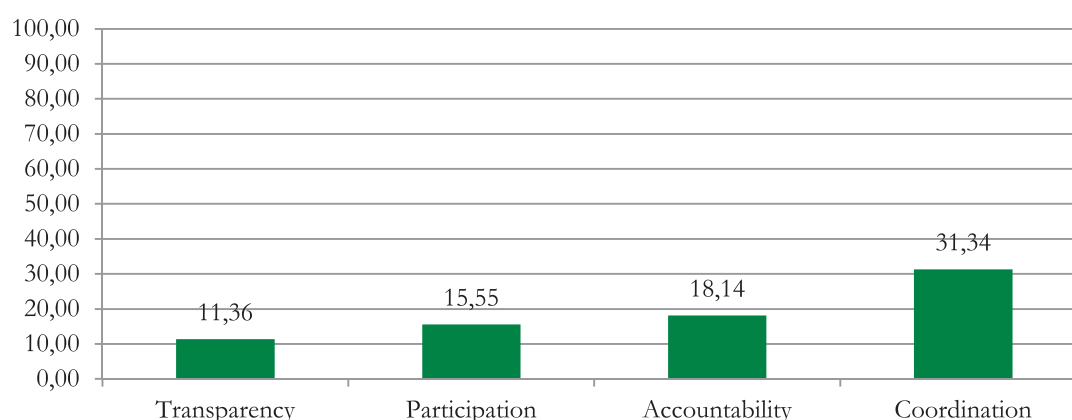
The three regions that achieved the highest index scores were supported by principles of coordination. The components of governance that support strengthening of relations between governments and communities (transparency and participation) scored worse than those related to internal government management (coordination and accountability). Sintang, Paser and Musi Banyuasin, which placed first, second and third for their IKHL index score, were well supported by principles of coordination, with scores above

60. This finding indicated that the implementation of good governance principles in the three top-scoring districts still did not reach the community. Principles of transparency and participation, which directly impact the community, have not yet been implemented well in these three districts. Participation practices in Sintang, for example, are two times lower than participation practices in Banyuasin, which placed sixth in the overall index. The same is true in the case of Paser, which also scored low on transparency.

Graphic 6.2 Contributing Principles to Developing the Land and Forest Governance Index



Graphic 6.3 Principal Aggregate Index

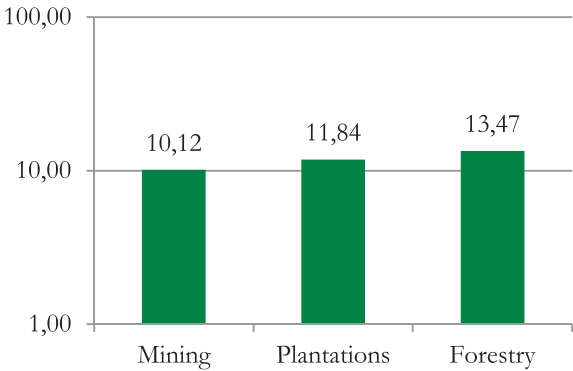


Transparency, which is a prerequisite for participation, accountability and coordination, obtained the lowest index score. The average transparency score of the nine study area was only 11.4, with participation at 15.6, accountability at 18.1, and coordination at 31.3. Despite the introduction of Law No. 14/2008 on Public Information Disclosure, most documents were found to be inaccessible to the community in all areas of study. Some regions did not give access to any of the requested documents on land and forest governance.

Sintang took the highest index score, but not the best. Despite taking first place for its overall index score, Sintang did not exhibit the best example of land and forest governance. The source of the district's high overall score was its scores for the components of coordination and accountability, for which it took first place.

All sectors of management, whether in forestry, mining or plantations, have still not applied principles of good governance. The average index scores by sector for the nine districts in this study were 10.12 for governance in the mining sector, 11.84 in the plantation sector and 13.47 in the forestry sector. These scores indicate that the condition of governance in these three sectors is still far from ideal conditions.

Graphic 6.4
Land and Forest Governance Index by Sector



The land and forest sector had a worse governance index score than those for the sectors of education, health and infrastructure. The practice of land and forest governance in the nine areas of this study was nearly identical, either in the course of applying transparency, accountability or coordination. Overall, all three were poor. This study assumes that the minimum portion of budget allocation for the sector is one of the reasons for poor land and forest governance. In a study previously conducted by FITRA, which focused on the education, health and infrastructure sectors, the performance of district governments in implementing principles of good governance was relatively good. This is because the portion of budget allocation for education, health and infrastructure is generally higher than that for the forest, plantation and mining sectors.

²³ Seknas FITRA and The Asia Foundation. Report on the Performance of Local Budget Management 2011; The findings of results of study in 20 regencies/Cities as Participant of Performance Program. Jakarta, 2012. This report measures the index of transparency, participation, accountability and equality in education, health and infrastructure sectors (public works).

CHAPTER VII

CONCLUSION AND RECOMMENDATIONS

VII. 1 CONCLUSION

This study found that land and forest governance by district governments is still far from adhering to the principles of good governance. Land and forest governance in the studied areas tended not to be transparent, limited access to and space for public participation, and showed a lack of commitment to coordination of activities. This is quite unfortunate, considering that the authority of local governments to grant permits for forest and land use has recently been strengthened. These conditions should receive serious attention from the central government and other parties involved in land and forest conservation, and emission mitigation programs such as REDD+. Without the support of good governance, the programs will only open new opportunities for corruption.

The findings of the research indicated a transparency index score for the nine study areas of only 11.4 out of 100. This is an indicator of poor transparency in land and forest governance in the nine regions. However, this finding is not surprising, considering that local governments in the nine study locations were not willing to provide the relevant documents related to land and forest governance. This can be seen from the limited access to documents and information related to the processes of preparing land and forest policy. One of the reasons for this is because public information disclosure institutions have yet to be formed in some of the regions.

Meanwhile, the average participation index score for the nine regions was 15.6 out of 100. This score reflects the minimum availability of participatory space, the minimum involvement of affected communities, and the minimum regulations to ensure

that participation can be standardized and consistently performed. This condition is worsened by the low level of public participation, which is limited to socialization and consultation, while it should involve the public right up to the approval stage.

From an accountability aspect, the findings of this study indicated that land and forest governance in the nine study areas is currently unaccountable. The average accountability index for the nine study areas was poor, at only 18.1 out of 100. By ignoring the norms, guidelines, standards and criteria that should be a reference for land and forest governance, local governments achieved a low score for internal accountability. For external accountability, the determining factor for a low score was the minimum opportunity for the public to deliver complaints and objections related to land and forest governance.

Coordination between institutions, either horizontally or vertically, in land and forest governance did not run as expected. The average index score of 31.34 out of 100 indicates the low commitment of district governments to coordination. This study also found that a legal basis and express mandate to coordinate will ensure better coordination. Another finding from this study was that there is no coordination in spatial and non-spatial data exchange in forestry and spatial planning activities.

Planning activities were found to be relatively more transparent, participative and accountable than management activities. It may be that this gap is caused by the fact that planning by its nature is not yet concrete, and so its effects cannot be felt directly by the community, while decisions on management activities can be felt in a real and direct way by the community. District governments were found to

be relatively transparent in planning activities compared to managing activities.

The existence of stronger legal guarantees on planning activities—in the form of obligations to disseminate the results and process, involve communities and conduct cross-sectoral coordination—may also contribute to planning activities having scored better than implementation activities. For monitoring activities, the study found that governments still tend to be closed on information regarding the monitoring of business and other activities related to land and forest governance.

As for law enforcement, this study hit its limitations in obtaining access to information related to law enforcement. This is because of the district governments' perception that law enforcement activities do not fall under their authority.

Management in the forestry, plantation and mining sectors was a specific focus of this study. The results indicated that the management in the three sectors has still not applied principles of good governance. This can be seen in the very low average index score for the three sectors. The forestry sector obtained an index of 13.47 out of 100, which was relatively higher than that of plantations at 11.84 and mining at 10.12.

Activities in the forestry sector scored relatively better than activities in the plantation and mining sectors. It is reasonable to assume that this is because the portion of authority held by local governments in the forestry sector is not as high as that in the mining and plantation sectors. Local governments have no authority to grant utilization permits in the forestry sector that equals their authority to grant utilization permits in the plantation and mining sectors. The role of local governments in the management of the forestry sector is more in the lodging of recommendations or technical considerations to the Forestry Minister as the party that has the authority to issue the permit, so that there is not much space

to obtain direct incentives. However, higher authority at the central level does not necessarily mean that governance improves.

Overall, this study indicates that the Land and Forest Governance Index scores in the nine regencies is still very low. This can be seen from the average score of 19 out of 100, where only four regions obtained index scores above the average, namely Sintang (33.56), Paser (31.28), Musi Banyuasin (26.42) and Kubu Raya (23.72). The three districts with the highest scores in this study were supported by coordination principles in land and forest governance in the three regions, which took index scores greater than 60. The existence of cross-sectoral coordinating institutions that run effectively and work to resolve complaints or disputes arising in relation to land and forest governance contributed much to the resulting index score in Sintang.

The Land and Forest Governance Index score for the nine regencies is propped up by the relatively higher scores for coordination and accountability. This shows that adherence to transparency and participation, as principles of good governance that are directly felt by communities, is lower than adherence to the principles of coordination and accountability, which are more closely related to internal government processes.

The low index score of each of the nine regencies in this study is an unfortunate result, and shows that decentralization of authority over land and forest governance has not yet been followed up by seriousness on the part of district governments to follow principles of good governance. This study proves that in these nine regencies, decentralization of authority over land and forest governance has not been accompanied by an increased capacity to carry out good governance.

VII.2 RECOMMENDATIONS

To encourage improvements to governance at the district level, ICEL and FITRA recommend the following:

FOR DISTRICT GOVERNMENTS

To increase transparency of land and forest governance:

- a. Use the Public Information Disclosure Act to open access to information as widely as possible for communities and state institutions, so that participation, accountability and coordination can be achieved;
- b. Build infrastructure such as institutions for public information disclosure in the form of PPID and SOP of Public Information Disclosure as one of factors to encourage transparency on land and forest governance in the regions. The formation of institutions for public information disclosure must be accompanied with the active undertaking of regional direction to socialize its existence, so that the public knows about it and can use it to obtain public information in relation to land and forest governance. Without active use of access, the mere existence of public disclosure institutions will not ensure more transparent land and forest governance;
- c. Construct mechanisms for transparency as well as data and information exchange between district government agencies to encourage interoperability and coordination. This is based on the consideration that the integrity of data and information on land and forest governance will facilitate the accessibility of documents;
- d. Improve transparency of local governments, by prioritizing transparency of public information on the issuing of permits related to land and forest governance that have come under the authority of district governments. This can be in the form of a quick win program of bureaucratic reformation.

To increase participation in land and forest governance:

- a. Provide space for community participation in land and forest governance in all forms and mechanisms including socialization, consultation and collective consent. Local governments must ensure that public involvement does not end at the socialization stage. Full public participation will occur only if public aspirations are heard and taken into consideration in the decision-making process;
- b. Encourage the establishment of district regulations on participation in land and forest governance;
- c. Include all elements of the community in all stages of land and forest governance activities. Specifically, local governments should be proactively involved with the affected community, as a group that in this research is shown to be the least involved.

To improve accountability in land and forest governance:

- a. Adhere to regulations in the form of norms, standards, guidelines and criteria that have already been established by the central government in:
 - i) In the planning stage, local governments need to ensure that Strategic Environmental Assessment is conducted by revising RTRW, to ensure that the RTRW is based on spatial data and information that meet standards, and also ensure that forests are inventoried as a basis for their use;
 - ii) In the implementation stage, local governments need to ensure that the issuing of permits/recommendations/technical considerations in land and forest governance meets provisions of the relevant legislation;

In addition, the monitoring of compliance by local governments to relevant guidelines must be improved. The existence of monitoring institutions, either internally in government institutions or externally between levels of govern-

ment, must be used to monitor to what extent land and forest governance activities have been conducted in accordance with the relevant regulations;

- b. Reassess policies and procedures regarding the issuing of permits to ensure they are effective, efficient and free of loopholes that could give rise to corruption, and review permits that have already been granted to ensure they comply with existing laws and regulations;
- c. Create internal complaint mechanisms for every district government unit involved in the implementation of land and forest governance, or make use of existing community complaint institutions that already carry specifically this function;
- d. Ensure that the complaint institutions upon the course of forest and land management can be accessed by every level of society, down to the level of villages/hamlets.

To increase coordination in land and forest governance:

- a. Strengthen mechanisms and institutions for cross-sectoral coordination by identifying and synergising inter-sectoral interests;
- b. Improve inter-sectoral coordination at the regional level by making mechanisms and systems of formal data and information exchange on land and forest governance;
- c. Coordinate with other government institutions outside the usual area of jurisdiction, both between central government agencies and local government agencies to ensure that land and forest governance is not limited by administrative territories, but is based on ecological considerations.

FOR THE CENTRAL GOVERNMENT

- a. Strengthen the oversight role in the implementation of regional autonomy in land and forest governance;
- b. Raise the capacity of district governments so that they can carry out land and forest governance in a more sustainable way.

FOR CIVIL SOCIETY

- a. Synergize actions and movements to encourage the improvement of land and forest governance in the regions;
- b. Use instruments such as the Land and Forest Governance Index (IKHL) or other existing instruments to monitor and push for change;
- c. Get involved in activities such as planning, implementation and monitoring/law enforcement so that different voices and rights are accommodated in decision-making.

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Government Regulation No. 44 of 2004 concerning Forest Planning

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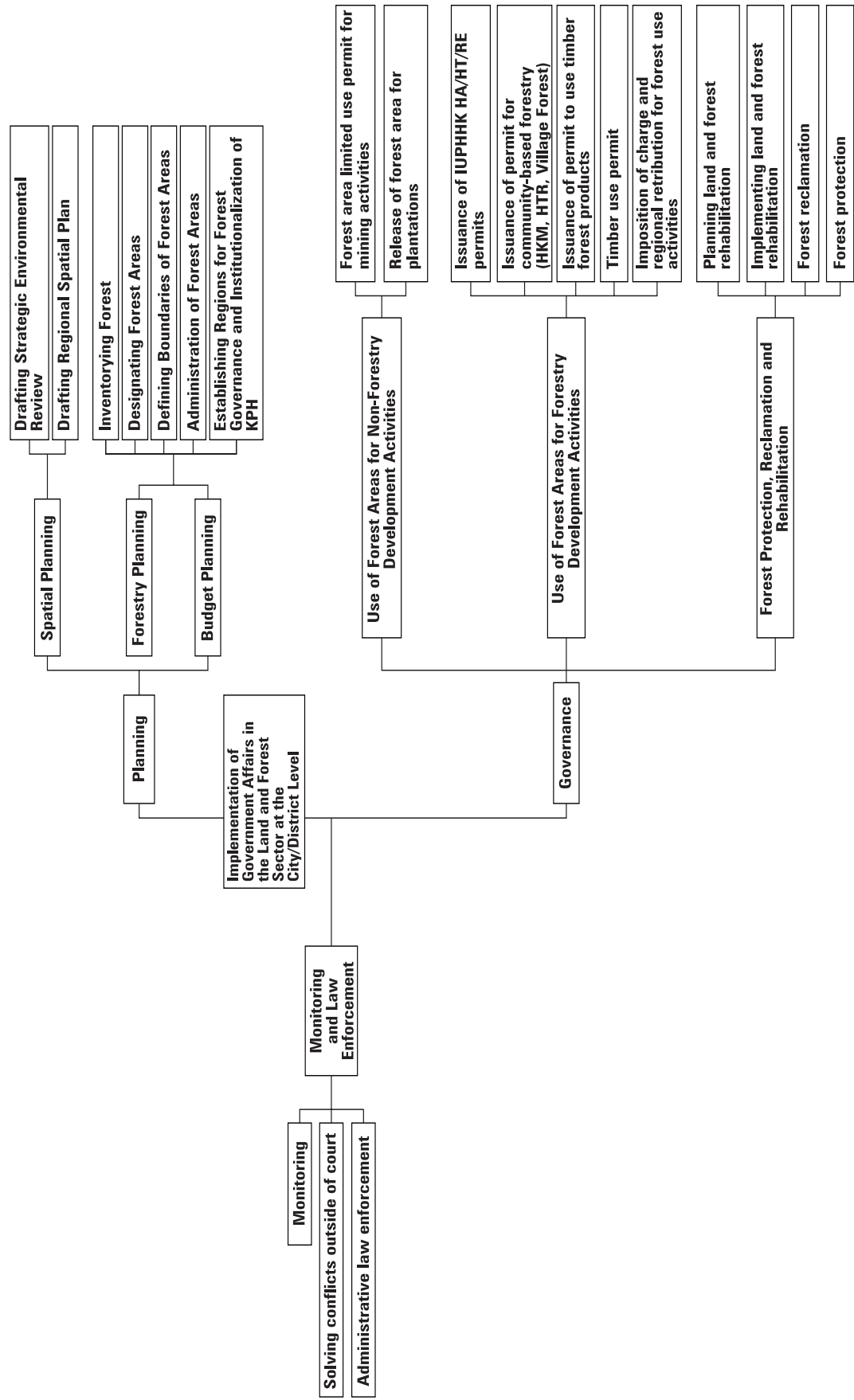
APPENDIX 1

ACCESS-TESTED LAND AND FOREST GOVERNANCE DOCUMENTS

Planning Documents	Utilisation Documents	Monitoring Documents
<ol style="list-style-type: none"> 1. SKPD Working Plan for TA Plantations. 2012 2. SKPD Working Plan for TA Forestry. 2012 3. SKPD Working Plan for TA Mining. 2012 4. RTRW Regional Regulation Draft (latest) 5. Results of inventorying forest areas at the district level 6. Official report on boundaries of forest area 7. KLHS RTRW 	<ol style="list-style-type: none"> 1. Plantation DPA SKPD TA. 2012 2. Forestry DPA SKPD TA. 2012 3. Mining DPA SKPD TA. 2012 4. District head/governor's regulation on details of TA regional budget. 2012 5. Plantation location permit 6. Right to cultivate plantation (HGU) 7. Plantation business permit (IUP) 8. Plantation business environmental analysis (AMDAL) 9. Timber use permit (IPK) for land-clearing needs of plantation businesses 10. Mining business environmental analysis (AMDAL) issued by the regional government 11. Mining business permit (IUP) for exploration in the period 2010-2012, issued by the regional government 12. Regional head's recommendation SK, for approval of limited use permit and approval of principle to use forest area for mining activities 13. Forestry business environmental analysis (AMDAL) 14. SK recommendation for approval of issuing IUPHHK to forestry business 15. Annual Work Plan for Forestry 16. Planning Document for Conducting Rehabilitation of Land and Forests (RPLHL) 17. Annual Rehabilitation Plan for Land and Forests (RTnRHL) 18. Annual Reclamation Planning Document for Mining Businesses as Approved by District Head 	<ol style="list-style-type: none"> 1. Performance report on Environmental Management Plan (RKL) semester I 2011 2. Performance report on Environmental Monitoring Plan (RPL) semester I 2011 3. Regional Regulation on Regional Government Financial Report TA. 2011 4. SK determining reclamation of security funds by mining companies 5. Recapitulation Report on plantation business monitoring compliance 2011 6. Recapitulation Report on forestry business monitoring compliance 2011 7. Recapitulation Report on mining business monitoring compliance 2011 8. Plantation business internal monitoring compliance 2011 9. Forestry business internal monitoring compliance 2011 10. Mining business internal monitoring compliance 2011

APPENDIX 2

SCOPE OF FOREST AND LAND GOVERNANCE BY DISTRICT / MUNICIPAL GOVERNMENT WITHIN THE FOREST AND LAND GOVERNANCE INDEX



APPENDIX 3

AVAILABILITY OF SPACE FOR PARTICIPATION

No	Forest and Land Governance Activities	Banyuasin	Berau	Bulungan	North Kayong	Kubu Raya	Muba	Mura	Paser	Sintang
Part. 1	KLHS drafting	1	0	0	1	1	1	0	1	1
Part. 2	RTRW drafting	1	1	1	0	1	1	1	1	1
Part. 3	Proposing designation of forest area	0	0	0	0	1	0	0	0	1
Part. 4	Defining boundaries of forest area	1	0	0	0	1	0	1	1	1
Part. 5	Media for complaints regarding official report on boundaries	0	0	0	0	1	0	0	0	1
Part. 6	Submitting proposal on use and change to designation and function of forests	0	0	0	0	0	1	1	1	1
Part. 7	Issuing mining business permit Giving recommendations on agreement with principles and / or forest area limited use permits for mining activities	0	0	1	0	0	0	0	0	1
Part. 8	Giving recommendations on land compensation put forward by owners of IUP in cases of limited use permits for forest areas	0	0	0	0	0	0	0	1	0
Part. 9	Issuing plantation business permit	1	0	0	0	1	0	0	1	0
Part. 10	“Submitting proposal for change of designation and function of forest area for plantation activities“	1	0	1	0	0	0	1	1	1
Part. 11	“Giving recommendations on issuing IUPHHK HA/RE/HTI“	0	0	0	0	0	0	0	0	0
Part. 12	Verification stage of granting HKM permit	0	0	1	0	0	0	0	0	0
Part. 13	Submission stage for nominating HKM areas	1	0	0	0	0	0	1	1	0
Part. 14	Stage of issuing HKM permit	0	0	1	0	0	0	0	1	0
Part. 15	Verification stage of village forest proposal	0	0	0	1	0	0	0	1	0
Part. 16	Submission stage for proposal nominating vil-	0	1	0	0	0	1	1	1	1
Part. 17	lage forest work area	1	1	0	1	0	1	0	0	1
Part. 18	Stage of issuing SK on governance rights over village forest	0	0	0	0	0	1	0	0	0
Part. 19	Submission of proposal for nominating area for community-based forest	1	0	1	1	0	1	1	1	0
Part. 20	Granting IPK in APL (forested area) to be covered by provisional permit	0	1	0	0	0	1	0	1	0
Part. 21	Socialization of drafting RPRHL	1	0	0	0	1	0	1	1	0
Part. 22	Consultation on drafting RPRHL	1	0	0	0	1	1	1	1	1
Part. 23	Approving drafting of RPRHL	0	0	0	0	1	0	0	1	0
Part. 24	Socialization of drafting RTnRHL	1	0	0	0	0	0	1	1	0
Part. 25	Consultation on drafting RTnRHL	1	0	0	0	0	1	1	0	0
Part. 26	Approving draft of RTnRHL	1	0	0	0	0	1	1	0	0
Part. 27	Evaluating and approving annual plans for forest reclamation	0	0	0	0	0	0	1	0	0
Part. 28	Evaluating and approving annual plans forest reclamation	0	0	0	0	0	0	0	0	0
Part. 29	Drafting plan to control forest fires	1	0	0	0	1	0	1	1	1

APPENDIX 4

LEGAL BASIS AND ANALYSIS OF LOCAL GOVERNMENT AUTHORITY IN GOVERNANCE IN THE LAND AND FOREST SECTOR

Land and Forest Planning Activities			
Category/ Definition	Type of Activity/ Definition	Legal Basis	Authority Held by Local Governments
A. Spatial Planning	A1. Strategic Environmental Assessment	<ul style="list-style-type: none"> Law No. 32/2009 Environment Minister's Regulation No. 9/2011 on KLHS 	Province and District : Obligation to conduct Strategic Environmental Assessment (KLHS) for every policy, plan and program (regional spatial planning is included in this category)
	A2. Spatial Planning for a Region/Province/District/Municipality	<ul style="list-style-type: none"> Law No. 26/2007 on Spatial Planning Government Regulation No. 15/2010 on Conducting Spatial Planning Government Regulation No. 68/2010 on Community Participation in Spatial Planning 	Province and District : Authority to arrange Regional Regulation RTRW P/K based on provisions of prevailing laws and regulations
B. Forestry Sector Planning	B1. Inventorying Forest Areas	<ul style="list-style-type: none"> Law No. 41/1999 on Forestry Government Regulation No. 44/2004 on Forest Planning Government Regulation No. 38/2007 on Division of Affairs between the Central and Local Governments Forestry Minister's Regulation No. P.67/2006 on Criteria and Standards for Inventorying Forest Areas 	Governor : <ul style="list-style-type: none"> Conduct Inventory of Production Forests, Protected Forests, and TAHURA and DAS scale across Districts/Municipalities Production of data and information resulting from inventory at the provincial level/DAS scale at the provincial level Documenting, distributing, using and reporting result of forest inventory District Head : <ul style="list-style-type: none"> Conduct Inventory of Production Forests, Protected Forests and DAS scale at the District/Municipal level. Production of data and information resulting from inventory at the district level/DAS scale at the district level Documenting, distributing, using and reporting result of forest inventory
C. Forestry Sector Budgeting	B2. Designation of Forest Areas	<ul style="list-style-type: none"> Law No. 41/1999 Government Regulation No. 38/2007 Forestry Minister's Regulation No. P.50/Menhut-II/2011 on Designation of Forest Areas 	Governor : Give technical review of designation of production forest, protected forest, KPA, KSA, and Hunting Reserve District Head: Arrange designation of zoning for production forest, protected forest, KSA, KPA and Hunting Reserve
	B3. Delineation of Forest Areas	<ul style="list-style-type: none"> Law No. 41/1999 Government Regulation No. 38/2007 	Governor : <ul style="list-style-type: none"> Establish of Delineation Committee based on authority conferred by the minister

		<ul style="list-style-type: none"> • P.50/2011 on Establishment of Forest Areas • P.47/2010 on Forest Area Delineation Committee • P. 43/ Menhut/ 2013 on Defining Boundaries of Work Areas for Forest Use Permits, Agreeing on Principles of Use for Forest Areas, and Management of Forest Areas for Collective Forest Management and Special Use Forest Areas. 	<p>(article 2 paragraph (2) P.47/2010)</p> <ul style="list-style-type: none"> • Approve results of Delineation Committee meetings <p>District Head :</p> <ul style="list-style-type: none"> • Based on the establishment of Delineation Committee by the governor, the district head becomes the chairman as well as a member of the Delineation Committee. • Together with other members of the Delineation Committee, the district head has the authority to: <ul style="list-style-type: none"> a. Set the boundaries of the area b. Determine the settlement of third-party rights over the area within the set boundaries c. Sign an official report on the boundaries of the forest area and a map of the forest area boundaries d. Validate the resulting boundaries
	B4. Planning Use of Forest Areas	<ul style="list-style-type: none"> • Law No. 41/1999 • Government Regulation No. 38/2007 • Government Regulation No. 60/2012 • Government Regulation No. 61/2012 • P.50/2011 on Establishment of Forest Areas • Government Regulation No. 61/2012 • P.50/2011 on Establishment of Forest Areas 	<p>Governor :</p> <p>Give technical review of proposal on changes to status and function of forest area, changes to status from APL to forest area, use of forest area and exchange and release of forest area</p> <p>District Head:</p> <p>Put forward proposal for change to status and function of forest, changes to APL to become forest area, use of forest area, and exchange and release of forest area</p>
	B5. Establishment of Forest Governance Area and Forest Governance Unit Institutions	<ul style="list-style-type: none"> • Law No. 41/1999 • Government Regulation No. 44/2004 on Forestry Planning • Government Regulation No. 6/2007 in conjunction with Government Regulation No. 3/2008 on Forest Management • Home Affairs Minister's Regulation No. 61/2010 on Guidelines for Organisation and Working Procedures for Protected KPH Forest and Production KPH Forest • Forestry Minister's Regulation No. P.6/2009 on Establishing Area Covered by Forest Governance Unit • Forestry Minister's Regulation No. P.41/2011 in conjunction with P.54/2011 on Standards of Infrastructure Facilitation by HL and HP Forest Governance Units 	<p>Provincial Government :</p> <ul style="list-style-type: none"> • Arrange preparations for establishing Protected Forest and Production Forest Governance Units, reviewed by district head. • Form HL and HP governance units in areas that overlap with district and provincial borders, defined by the Provincial Regulations. Formation based on directives of HL and HP governance units set by the minister. • Set institutions of HP and HL governance units via KPHP and KPHL via Provincial Regulations <p>District-Level Government :</p> <ul style="list-style-type: none"> • Give review of plans to establish and proposals to create areas of HL and HP governance as well as institutions for governance of forest areas

	<ul style="list-style-type: none"> • P. 47/ Menhut-II/ 2013 on Guidelines, Criteria and Standards for Use of Forest in Certain Areas by Protected Forest Governance (KPHL) and Production Forest Governance (KPHP) Units. • Establish areas for Protected and Production Forest in the districts via Regional Regulations
C. Forestry Sector Budgeting	



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