



ID: Strengthening of Social Forestry in Indonesia (P165742)

EAST ASIA AND PACIFIC | Indonesia | Environment, Natural Resources & the Blue Economy Global Practice |  
Global Environment Project | Investment Project Financing | FY 2020 | Seq No: 8 | ARCHIVED on 10-Apr-2024 | ISR59743 |

Implementing Agencies: Ministry of Environment and Forestry (MOEF), Republic of Indonesia

**Key Dates****Key Project Dates**

Bank Approval Date: 22-May-2020

Effectiveness Date: 15-Sep-2020

Planned Mid Term Review Date: 20-Nov-2023

Actual Mid-Term Review Date: 21-Nov-2023

Original Closing Date: 30-Jun-2025

Revised Closing Date: 30-Jun-2025

**Project Development Objective (PDO)**

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to improve access to forest land use rights and strengthen community management in selected priority areas allocated for social forestry.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

**Components Table**

Name

Policy and institutional strengthening to support social forestry:(Cost \$19235949.00 M)

Strengthening community management within social forestry:(Cost \$84837069.00 M)

Project management and Monitoring and Evaluation:(Cost \$5358463.00 M)

**Overall Ratings**

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

**Implementation Status and Key Decisions**

The project continues to accelerate implementation of activities towards achievement of its objective - to improve access to forest land use rights and strengthen community management in selected priority areas allocated for social forestry. The focus is made on (i) facilitation of pre-Social Forestry permit issuance, including facilitation of the development of social forestry proposal, participatory mapping, boundary demarcation and technical verification; and (ii) post Social Forestry permit issuance, including technical assistance on the development of Social Forestry Working Plan (*Rencana Kerja Perhutanan Sosial/RKPS*), development of proposal for small grants, consultations and coordination with the district and provincial governments for the development of Integrated Area Development/IAD masterplan (Lima Puluh Kota District – West Sumatra Province; Bima District, Bima City, and Dompu District – West Nusa Tenggara Province; South Lampung District – Lampung Province; and West



Halmahera District – North Maluku Province), knowledge management and development (including development of digital monitoring and evaluation dashboard), development of a method for carbon accounting and emission mitigation, drafting a Director General Decree on the Guideline of Social Forestry Contribution on Economic Value of Carbon towards the Achievement of Nationally Determined Contribution (NDC) target (*Pedoman Kontribusi PS dalam penyelenggaraan NEK untuk pencapaian target NDC*). Efforts are ongoing to address backlogs and improve performance towards achieving the intended targets. The first batch of small grants has been distributed to 98 Social Forestry Business Groups (KUPS) located in Lima Puluh Kota District (West Sumatra Province), Lampung Province, and Halmahera Barat District (North Maluku Province), that have demonstrated readiness to manage the grant (i.e., Social Forestry Business Groups that completed the Social Forestry Working Plan document (*Rencana Kerja Perhutanan Sosial/RKPS*)).

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	☐ Substantial	☐ Moderate	☐ Moderate
Macroeconomic	☐ Moderate	☐ Moderate	☐ Moderate
Sector Strategies and Policies	☐ High	☐ Moderate	☐ Moderate
Technical Design of Project or Program	☐ Substantial	☐ Moderate	☐ Moderate
Institutional Capacity for Implementation and Sustainability	☐ High	☐ Moderate	☐ Moderate
Fiduciary	☐ Substantial	☐ Substantial	☐ Moderate
Environment and Social	☐ High	☐ High	☐ High
Stakeholders	☐ Substantial	☐ Substantial	☐ Substantial
Other	--	☐ Moderate	☐ Moderate
Overall	☐ High	☐ Moderate	☐ Moderate

## Results

### PDO Indicators by Objectives / Outcomes

To improve access to forest land use rights and strengthen community management				
▶ Area under social forestry schemes with SF permit accorded to communities (Hectare(Ha), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	60,000.00	213,282.00	274,417.63	300,000.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	The actual total area with Social Forestry permit represents total area managed by forest farmer groups ( <i>Kelompok Tani Hutan/KTH</i> ), Social Forestry Group ( <i>Kelompok Perhutanan Sosial/KPS</i> ), Social Forestry Business Groups ( <i>Kelompok Usaha Perhutanan Sosial/KUPS</i> ), association of forest farmer groups ( <i>Gabungan Kelompok Tani/Gapoktan</i> ), Village Forest Management Institution ( <i>Lembaga Pengelola Hutan Desa/LPHD</i> ) supported by the Project within the provinces of Project sites. To date, the total SF permits ( <i>Surat Keputusan/SK Perhutanan Sosial</i> ) issued were 565 SK.			
▶ Land area under sustainable landscape management practices (Hectare(Ha), Corporate)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15,000.00	92,134.00	92,532.00	300,000.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
<b>► Greenhouse gases (GHG) emissions mitigated (Metric tons/year, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4,338,587.03	0.00	9,209,969.00
Date	10-May-2019	31-Oct-2023	03-Apr-2024	30-Jun-2024
Comments:	The Carbon accounting process is still ongoing. The average rate of deforestation at six districts/cities supported by the SSF is lower (0.48%) than the average rate of deforestation in national level (0.76%). This finding suggests that carbon net sink will be achieved within the project implementation period through reforestation practice, i.e., establishment of approximately 40,000 hectares of community agroforestry; and protection and conservation of state forest area through sustainable management practice using Social Forestry scheme. Using an approach with no carbon emission aggregation/national carbon sink implemented, there will be potential carbon sink of 9,303,800 tCO <sub>2</sub> (within project period of four years) and 21,172,800 tCO <sub>2</sub> (20 years period). Results of the carbon accounting will be reported in the next ISR.			
<b>► People in targeted forest and adjacent communities with increased monetary or non-monetary benefits from forests (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	73,165.00	84,105.00	150,000.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	The actual number indicates the accumulation from total households receiving benefits from social forestry permits ( <i>SK Perhutanan Sosial</i> , SK distributed to 79,529 head of households which are men and to 4,660 head of households which are women). The Project has recently developed digital monitoring and reporting mechanism on the number of beneficiaries from all components on which the calculation process are currently still ongoing, including the gender composition of beneficiaries (percent of which are women). The result presented below (25%) is based on the assumption that there is one woman per household who has been participated in the activities carried out and/or facilitated by the project (i.e., capacity building, accessing and/or utilizing the benefits provided by social forest area, etc.).			
<input type="checkbox"/> Percent of which are women (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.85	25.00	30.00

### Overall Comments

Due to implementation delays, the Project has experienced challenges towards achieving the intended targets which has affected project performance and disbursement. To-date, the Project has demonstrated a modest progress particularly on the implementation of activities to support distribution of social forestry permits to communities. While one PDO-level indicator is on track to achieve the end project target this year (2024), the remaining three PDO indicators are still lagging. There is a need for focused action to accelerate implementation in order to fully achieve end targets, as agreed during the mission.

### Intermediate Results Indicators by Components



Component 1: Policy and Institutional Strengthening to Support Social Forestry				
▶ 1.1. Number of selected provinces/districts established Social Forestry management plans that integrate conservation of biodiversity into their economic strategic plans (RPJMD) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.00	0.00	6.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	In this reporting period, correction needs to be made to the achievement of this indicators, as the Government will need to further assess project contribution that can be attributed to achieve this indicator. The Project aims to further facilitate integration of Social Forestry management plan into regional development plan for six districts/city supported by the SSF. The exact achievement will be further updated in the next reporting period.			
▶ 1.2. Number of regulation related to social forestry drafted and submitted for approval (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	3.00	4.00	13.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	There are four achievements to date: (i) Presidential Regulation Number 28/2023 on Comprehensive Planning for the Acceleration of Social Forestry Management; (ii) Director General Decree ( <i>Surat Keputusan/SK</i> ) Number 21/PSKL/PKPS/PSL.0/6/2023 on small grant; (iii) Director General Decree Number 26/PSKL/PKPS/PSL.0/9/2023 on innovative grant; and (iv) Ministerial Decree of the Ministry of Environment and Forestry Number 168/ 2022 on FoLU Net Sink Indonesia. Additionally, one draft Director General Decree on the Guideline of Social Forestry Contribution on Economic Value of Carbon towards the Achievemnt of Nationally Determined Contribution (NDC) target ( <i>Pedoman Kontribusi PS dalam penyelenggaraan NEK untuk pencapaian target NDC</i> ) is under technical review an expected to be formalized within the next few months. The Project also reported the development of three Decision Letter ( <i>Surat Keputusan/SK</i> ) Bupati on the Development of Social Forestry Task Force ( <i>Pembentukan Pokja PPS</i> ) at West Nusa Tenggara Province, West Halmahera Province, and Lima Puluh Kota District.			
▶ 1.3. Social Forestry Groups with at least one Social Forestry facilitator/integrated extension services provider (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	314.00	363.00	303.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	The end target is achieved. To date, there are 363 Social Forestry Groups ( <i>Kelompok Perhutanan Sosial/KPS</i> ) that have been supported by 70 field facilitators in six SSF districts/cities.			
Component 2: Strengthening Community Management within Social Forestry				
▶ 2.1. Area with participatory community mapping and/or boundary demarcation under the social forestry permits completed (Hectare(Ha), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	60,000.00	213,316.00	274,417.63	300,000.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	This indicator refers to the SF permit area that has been mapped and/or demarcated through the process of community participation. The reported achievement has completed participatory community mapping as a requirement to be included in the Social Forestry proposal prior to submission and has completed technical verification prior to SF permits issuance. To facilitate completion of the remaining target, MoEF			



	team will develop guidelines for boundary demarcation that could be carried out by the Social Forestry Groups utilizing practical and cost-efficient approach while following the standardized principles (i.e., participative process, clarity on the coordinate/location, and with minutes documenting the agreement from all stakeholders).			
<b>► 2.2. Communities received social forestry permit for land use (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	93.00	318.00	565.00	303.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	The end target is achieved. To date, 565 communities groups (Social Forestry Groups/ <i>Kelompok Perhutanan Sosial</i> ) have received SF permits within the provinces of SSF project sites (363 Social Forestry Groups are within the SSF districts/cities), comprised of Village Forest ( <i>Hutan Desa/HD</i> ), Community Forestry ( <i>Hutan Kemasyarakatan/HKm</i> ), Community Plantation Forest ( <i>Hutan Tanaman Rakyat/HTR</i> ), Forestry Partnership ( <i>Kemitraan Kehutanan</i> ), and Conservation Partnership ( <i>Kemitraan Konservasi</i> ).			
<input type="checkbox"/> Percent of which are women (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.82	5.54	30.00
<b>► 2.3. Social forestry sustainable livelihood groups (KUPS) funded (either by own resources, micro finances or others) and with the target of 25% reaching Gold level and 5% reaching Platinum level (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	There is no achievement to-date. Implementation of community grant is ongoing. The first Batch of small grants was distributed to 122 Social Forestry Business Groups in October – December 2023. The first batch of small grants was distributed to Social Forestry Groups located in Lima Puluh Kota District (West Sumatra Province), Lampung Province, and Halmahera Barat District (North Maluku Province), which demonstrated readiness to manage the grant (i.e., Social Forestry Business Groups that completed the Social Forestry Working Plan document ( <i>Rencana Kerja Perhutanan Sosial/RKPS</i> )). In the next batch, the small grants will be distributed to 558 grantees. The small grant distribution designed to facilitate community business development and enhance the market share, which are prerequisite to achieve the project target aiming at 27 KUPS reaching platinum level and 133 KUPS reaching Gold level			
<b>► 2.4. Beneficiaries sharing a social forestry permit are satisfied with project interventions (% of which are women) (Citizen Engagement indicator) (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	31-Jan-2020	31-Oct-2023	03-Apr-2024	30-Jun-2025
Comments:	There is no achievement to-date. Satisfaction survey will be carried out in Semester I 2024. Currently, the NPMU is finalizing preparation (i.e., consolidating the methodology with project implementer (BPSKL, KPH, and field facilitators) and finalize questionnaires) and the households survey will be started in early March 2024.			
<input type="checkbox"/> Percent of which are women (Percentage, Custom Supplement)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30.00
<b>► Forest area brought under management plans (Hectare(Ha), Corporate)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15,000.00	92,134.00	92,532.00	300,000.00
Date	31-Jan-2020	31-Oct-2023	31-Jan-2024	30-Jun-2025
Comments:	Two hundred and seven Social Forestry groups have completed their management plan ( <i>Rencana Kerja Perhutanan Sosial/RKPS</i> ) for their total area of 92,532.00 ha. Currently, the Project has been facilitating 363 Social Forestry Groups/KPS and 589 Social Forestry Business Groups ( <i>Kelompok Usaha Perhutanan Sosial/KUPS</i> ). 172 KUPS were categorized as Blue and 379 KUPS were categorized as Silver with a completed RKPS. 36 KUPS were categorized as gold with more advanced management including business development and marketing and 2 KUPS were categorized as Platinum. Based on the regulations, one KPS is allowed to develop more than one KUPS.			

### Overall Comments

Of the total eight Intermediate Results Indicators (IRI), two indicators have exceeded the end target - IRI #1.3 (Social Forestry Groups with at least one Social Forestry facilitator/integrated extension services provider) with 365 Social Forestry Groups (Kelompok Perhutanan Sosial/KPS) against the end target of 303, as well as IRI #2.2 (Communities received social forestry permit for land use) with 365 KPS against the end target of 303. It is expected that IRI #2.1 (Area with participatory community mapping and/or boundary demarcation under the social forestry licenses completed) will be achieved in 2024 (24,783 ha remain of the end target of 300,000 ha for participatory mapping) while completion of boundary demarcation will require effort for further acceleration. The remaining IRIs will require a comprehensive and innovative strategy to accelerate implementation and achievement of end target (IRIs #1.1 – 1.2 and IRIs #2.3– 2.5).

### Performance-Based Conditions

#### Data on Financial Performance

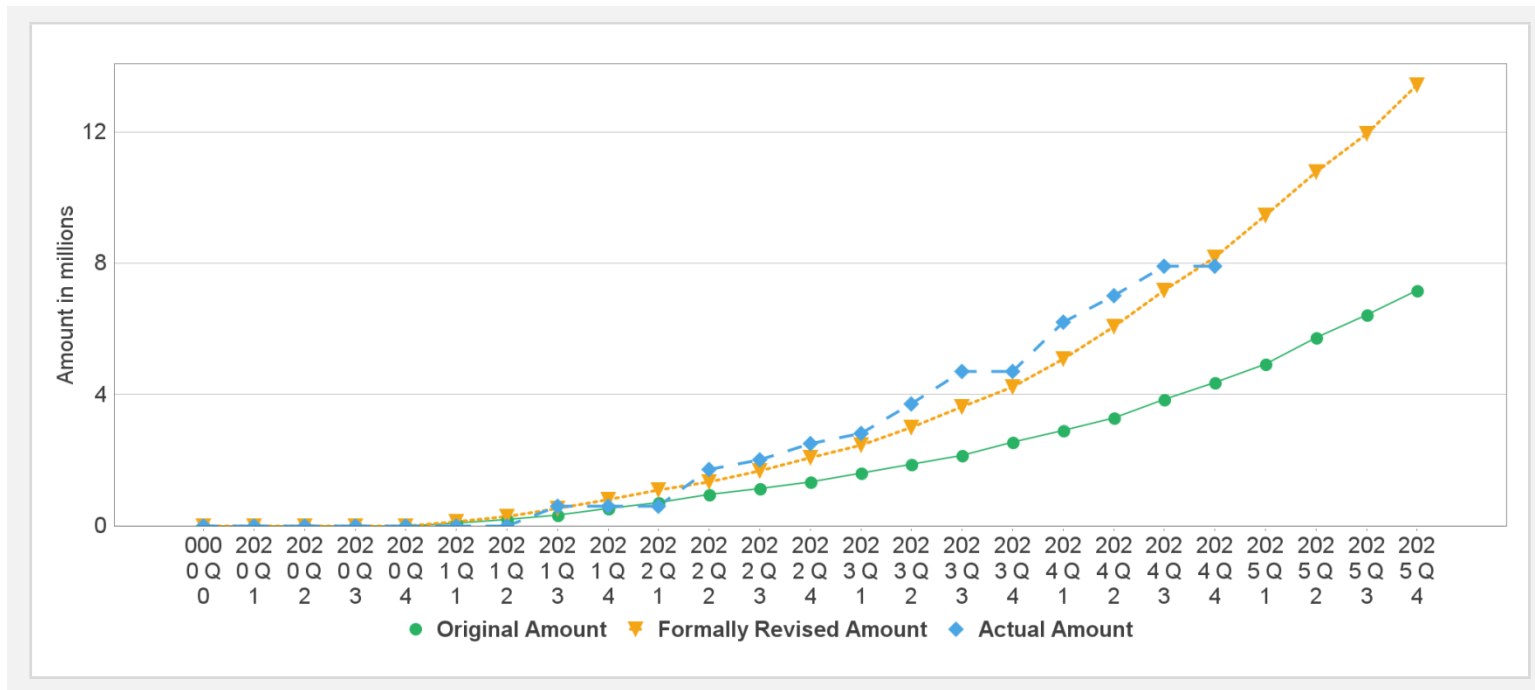
#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P165742	TF-B2430	Effective	USD	14.32	14.32	0.00	7.91	6.41	55%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P165742	TF-B2430	Effective	13-Mar-2020	18-Jun-2020	15-Sep-2020	30-Jun-2025	30-Jun-2025

### Cumulative Disbursements



**Restructuring History**

There has been no restructuring to date.

**Related Project(s)**

There are no related projects.