GEF-8 PROJECT IDENTIFICATION FORM (PIF)

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General Project Information

Project Title	
Strengthening the integrated landscape management and governance for the conservation and sustainable use of forested areas important for biodiversity and ecosystem services (AIBDES) in Indonesia	
Region Indonesia	GEF Project ID 11530
Country(ies) Indonesia	Type of Project FSP
GEF Agency(ies): FAO	GEF Agency ID 748028
Executing Partner Ministry of Environment and Forestry - Directorate of Ecosystem Management and Restoration (BPPE) and its 2 Provincial Natural Resources Conservation Agencies (BKSDAs)	Executing Partner Type Government
GEF Focal Area (s) Biodiversity	Submission Date 3/20/2024
Project Sector (CCM Only)	
Taxonomy	
Focal Areas, Forest, Forest and Landscape Restoration, Climate Change, Climate Change Mitigation, Agriculture, Forestry, and Other Land Use, Biodiversity, Protected Areas and Landscapes, Land Degradation, Influencing models, Transform policy and regulatory environments, Convene multi-stakeholder alliances, Strengthen institutional capacity and decision-making, Demonstrate innovative approache, Stakeholders, Beneficiaries, Local Communities, Civil Society, Non-Governmental Organization, Type of Engagement, Partnership, Consultation, Participation, Information Dissemination, Communications, Strategic Communications, Behavior change, Public Campaigns, Awareness Raising, Education, Gender Equality, Gender results areas, Gender Mainstreaming, Women groups, Sex-disaggregated indicators	
Type of Trust Fund GET	Project Duration (Months) 60
GEF Project Grant: (a) 7,105,936.00	GEF Project Non-Grant: (b) 0.00
Agency Fee(s) Grant: (c) 675,064.00	Agency Fee(s) Non-Grant (d) 0.00
Total GEF Financing: (a+b+c+d) 7,781,000.00	Total Co-financing 56,000,000.00
PPG Amount: (e) 200,000.00	PPG Agency Fee(s): (f) 19,000.00

PPG total amount: (e+f)	Total GEF Resources: (a+b+c+d+e+f)
219,000.00	8,000,000.00

Project Tags

CBIT: No NGI: No SGP: No Innovation: Yes

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the project should be in section B "project description".(max. 250 words, approximately 1/2 page)

The project addresses biodiversity loss, habitat degradation, and ecosystem service decline in critical landscapes outside Protected Areas (PAs) in South Sumatra and Central Java. The project targets Areas Important for Biodiversity and Ecosystem Services (AIBDES)—a term specifically chosen to include both areas inside and outside protected areas, encompassing regions crucial for biodiversity and offering ecosystem services like carbon storage. This term aligns with the terminology in Target 3 of the KMGBF and is distinct from OECM in that it is not limited to areas outside of protected zones. The core objective is to strengthen integrated landscape management and governance to conserve and sustainably use AIBDES, thereby contributing to global biodiversity conservation efforts. The project will establish policies and strategies for biodiversity management across all levels, from national to local. It will also enhance governance and capacities for unified biodiversity management and promote ecologically-sound restoration practices. Innovative finance and investment mechanisms will be employed to boost domestic resource mobilization for biodiversity. Additionally, the project aims to enhance knowledge management and capacity building. By executing these activities, the project will conserve and restore over 91,000 ha of natural ecosystems, ensuring the conservation and recovery of globally significant biodiversity. By focusing on landscapes outside PAs, the project directly supports the connectivity of habitats, ensuring the survival of globally threatened and endemic species such as the Javan Leopard, Sumatran Elephant, and various bird species of international conservation concern. Additionally, the project's activities are anticipated to enhance ecosystem resilience, increase carbon sequestration, and support the livelihoods of local communities, thereby contributing to global efforts to combat biodiversity loss and climate change. Multi-stakeholder engagement, involving governmental bodies, academic institutions, civil society, and the private sector, remains a cornerstone for resource allocation and effective implementation.

Indicative Project Overview

Project Objective

Conserve and sustainably use globally significant biodiversity in selected Areas Important for Biodiversity and Ecosystem Services (AIBDES) of Central Java and South Sumatra through integrated landscape management and governance mechanisms

Project Components

1: Strengthening policy frameworks for integrated biodiversity management in AIBDES outside PAs1

Component Type	Trust Fund

Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
995,000.00	7,850,467.00

Outcome:

1.1: Enhanced policy frameworks and governance structures established to support effective biodiversity conservation and sustainable management of AIBDES outside PAs, incorporating community involvement and integrated land management practices.

Output:

1.1.1: A comprehensive report detailing the status of current policies and institutional frameworks, highlighting gaps and recommending targeted actions for enhancement of biodiversity management.

1.1.2: A comprehensive national vision and action plan that aligns with both national priorities and global biodiversity conservation goal.

1.1.3: Revised and new policies that facilitate community involvement and integrate biodiversity conservation into broader land management practices.

1.1.4: Refined incentive structures to support and promote biodiversity-positive activities.

1.1.5: Enhanced mechanisms for inter-agency and inter-regional coordination established, with clear protocols for conflict resolution in biodiversity management, ensuring unified efforts across different governance levels.

2: Integrated landscape-level governance for sustainable biodiversity management in AIBDES outside PAs

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
1,650,000.00	13,084,112.00

Outcome:

2.1 Strengthened governance and capacity for integrated landscape management in targeted landscapes, resulting in cohesive biodiversity management practices that reduce ecological degradation and promote sustainable land use.

Output:

2.1.1 A robust multi-stakeholder institutional mechanism established.

2.1.2 Integrated landscape land-use plans developed that align conservation and development objectives.

2.1.3 Effective local implementation of national biodiversity policies supported in targeted landscapes.

2.1.4 Targeted capacity building initiatives launched based on identified needs, improving governance effectiveness.

2.1.5 Decision-support tools integrated into management processes, providing data-driven insights for conservation.

3: Private sector-driven integrative forest resilience and conservation in AIBDES outside PAs

Component Type	Trust Fund
Investment	GET
GEF Project Financing ($)	Co-financing ($)
2,137,558.00	16,697,818.00

Outcome:

3.1 Improved biodiversity and ecosystem resilience through private sector-led initiatives that incorporate ecologically sound restoration and management practices, significantly reducing habitat fragmentation and promoting sustainable socio-economic benefits.

Output:

3.1.1 Integration of the private sector in sustainable forest and agroforestry management, with established benefit-sharing mechanisms and compliance with environmental regulations.
3.1.2 Restored and connected ecosystems in and around targeted landscapes, with established buffer zones that reduce edge effects and habitat fragmentation.
3.1.3 Biodiversity monitoring systems developed and operational, integrating scientific and community-collected data.
3.1.4 Effective mitigation strategies for HWCs established, including barriers and wildlife corridors that reduce encounter rates.
3.1.5 Development of gender-responsive, community-oriented, biodiversity-positive economic initiatives that provide sustainable livelihoods.
3.1.6 Enhanced governance frameworks that support effective implementation of conservation laws and private sector initiatives.

4: Sustainable finance for biodiversity conservation and sustainable livelihoods

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
1,325,000.00	10,467,290.00

Outcome:

4.1 Financing mechanisms effectively implemented, driving the adoption of sustainable practices and significantly scaling up biodiversity conservation efforts across AIBDES, with a direct impact on local livelihoods and ecosystem services.

Output:

4.1.1 Fully operational PES schemes with documented payments directly linked to verified conservation outcomes, enhancing biodiversity and ecosystem services.

4.1.2 Projects that improve livelihoods and contribute to biodiversity conservation implemented, demonstrating tangible benefits in community welfare and biodiversity health.

4.1.3 Innovative financing instruments for biodiversity conservation implemented, with quantifiable results in biodiversity improvements and ecosystem resilience.

4.1.4 Effective oversight mechanisms established, ensuring that financial inputs are directly linked to conservation outputs.

5: Integrated capacity building and knowledge management for AIBDES sustainability

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
364,630.00	5,000,000.00

Outcome:

5.1 Robust capacity building and knowledge management systems operationalized, enhancing the effectiveness of biodiversity conservation strategies and sustainable practices among local and regional stakeholders, with measurable improvements in biodiversity health.

Output:

5.1.1 Effective multi-stakeholder forums operationalized, enhancing communication and collaborative action in biodiversity conservation.

5.1.2 A fully integrated system where knowledge management supports continuous learning and capacity building, with updated training programs that reflect the latest conservation research and practices.

5.1.3 Increased community awareness and understanding of biodiversity, fostering supportive behaviors and local conservation initiatives.

5.1.4 Effective documentation and benefit-sharing mechanisms established, promoting the sustainable use of genetic resources and equitable distribution of benefits.

M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
295,370.00	233,645.00

Outcome:

5.1.5 An upgraded M&E framework operationalized, equipped with SMART indicators that provide detailed tracking of conservation achievements, the effectiveness of interventions, and the capacity to make timely adjustments to project strategies.

Output:

6.1.1 Monitoring and evaluation operationalized

Component Balances

Project Components	GEF Project Financing ($)	Co-financing ($)

1: Strengthening policy frameworks for integrated biodiversity management in AIBDES outside PAs1	995,000.00	7,850,467.00
2: Integrated landscape-level governance for sustainable biodiversity management in AIBDES outside PAs	1,650,000.00	13,084,112.00
3: Private sector-driven integrative forest resilience and conservation in AIBDES outside PAs	2,137,558.00	16,697,818.00
4: Sustainable finance for biodiversity conservation and sustainable livelihoods	1,325,000.00	10,467,290.00
5: Integrated capacity building and knowledge management for AIBDES sustainability	364,630.00	5,000,000.00
M&E	295,370.00	233,645.00
Subtotal	**6,767,558.00**	**53,333,332.00**
Project Management Cost	338,378.00	2,666,668.00
Total Project Cost ($)	**7,105,936.00**	**56,000,000.00**

Please provide justification

PROJECT OUTLINE

A. PROJECT RATIONALE

Briefly describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

Indonesia is the world's largest archipelagic country where 120.5 million hectares or 63 percent of its total land area are designated as State Forest Area.[i]i Indonesia is a global biodiversity hotspot, characterized by its rich ecosystem, species, and genetic diversity.[ii]ii It is the world's second mega-biodiverse country after Brazil. Indonesia straddles the Wallace Line, covering transitional zones like Sulawesi, Maluku, and Nusa Tenggara. It is one of the world's centers for agrobiodiversity of plant cultivars and domesticated livestock with an estimated 25,000 flowering plants, 55% of which are endemic. It is estimated that around 30,000–40,000 species of seed plants (15.5% of the total number of plants in the world) are in Indonesia. Indonesia is home to 19% of the global total area of mangroves.[iii]iii In terms of tree species diversity, Indonesia is one of the most biodiverse countries in the world, with more than 3,000 tree species.[iv]iv

The chosen project approach, centered on integrated landscape management and governance, was selected for its comprehensive ability to address both direct and indirect drivers of biodiversity loss in Indonesia. This

approach leverages multi-disciplinary methods to ensure sustainable land use and conservation practices, which are more effective compared to fragmented or sector-specific approaches. It is aligned with national conservation strategies and international commitments, ensuring that the project interventions are both scalable and sustainable.

The project is designed to be resilient to future ecological, economic, and socio-political changes. By incorporating adaptive management strategies and establishing flexible financial mechanisms, the project can adjust to changing conditions while continuing to meet its conservation goals. Regular monitoring and evaluations will enable timely modifications to strategies, ensuring long-term effectiveness and relevance.

Global Environmental Problem

Loss and degradation of forests in Indonesia has been of national and global concern. The State Of Indonesia's Forests 2022 Towards FOLU Net Sink 2030[v] report notes that these are contributed by: the conversion of forest areas for other development purposes such as: (1) plantations and transmigration; (2) unsustainable forest management; (3) illegal logging; (4) changes in forest use purposes; (5) legal conversion into other use areas; (6) mining activities; (7) illegal land occupation; (8) forest fires; and (9) natural disasters. These direct drivers of forest loss and degradation are caused by several underlying issues such as complex tenure systems, legacy of past policies that prioritized forest logging and forest conversion into oil plantations for economic development, and low government capacities and low stakeholder involvement in forest protection and management due to underappreciation of true value of these complex forest ecosystems.

Though deforestation rate has decreased in the country, it is still of concern. The deforestation rate from 2019-2020 decreased by 75 percent to 115 thousand he, the lowest rate since 1990. The rate of deforestation 1996-2000 was 3.51 million hectares. Deforestation fell to 1.09 million hectares between 2014-2015, and 470 thousand hectares in 2018-2019. There is also fragmentation of forests and increasing human wildlife conflicts.

This is particularly the case for forests outside PAs, as they are also critically important for globally threatened plant and animal species. Even though deforestation slowed recently,[vi] for example, it has decimated around 70% of the elephant's habitat in one generation and eroded Areas Important for Biodiversity and Ecosystem Services (AIBDES). A significant majority of key wildlife species[vii] are found outside PAs, predominantly in areas designated for Production Forests that are under the management of Local Government Authorities.[viii] Furthermore, from the total key biodiversity areas (KBA) in Indonesia, only a quarter is protected as Conservation Forest.[ix] This habitat loss exacerbates human-wildlife conflicts and elevates Indonesia among the world's top greenhouse gas emitters, impacting both global ecology and local livelihoods. In addition, Indonesia faces escalated risks from extreme climatic events such as floods and droughts, and long-term shifts like rising sea levels and altered precipitation patterns. These challenges pose considerable threats to both human livelihoods and natural ecosystems within the region.[x]

Biodiversity protection in Indonesia

The government of Indonesia has committed to protection and effective management of its forests through establishment of PAs and several other categories of forests. In addition to halting and reversing deforestation, the need for more effective management of existing forest resources for biodiversity conservation and carbon sequestration has also been felt by the government. The Government of Indonesia, through Law No. 5 of 1990, has established Kawasan Suaka Alam or Nature Reserve Areas and Kawasan Pelestarian Alam or Nature Conservation Areas. These are collectively called Conservation Areas, including both land and water areas. In addition, Law No. 41/1999 classifies forest areas into Conservation Forest (Hutan Konservasi), Production Forest (Hutan Produksi), Protection Forest (Hutan Lindung), and Non-Forest area for other purposes (Area Penggunaan Lain). Under this law, Nature Reserve Areas, and Nature Conservation Areas, along with Taman Buru or Game Reserve, are categorized as Conservation Forest. Indonesia has 554 Terrestrial PAs covering 27.13 million hectares and 196 Marine PAs covering 23.14 million hectares.[xi]

In alignment with these legal frameworks, The Sistem Verifikasi Legalitas Kayu (SVLK), Indonesia's national timber legality assurance system, was implemented in June 2009. This system was a significant step towards ensuring timber legality. The issuance of the first Forest Law Enforcement, Governance and Trade (FLEGT) timber export licenses in 2016 further supported this initiative.

Additional forest conservation efforts include stopping issuance of new permits in primary forests and peatlands through a presidential instruction (Instruksi Presiden) Number 5/2019 on Termination of the Issuance of New Licenses and Governance Improvement of Primary Forests and Peatland. To protect peatlands from oil palm plantation expansion, the government has issued a government regulation on peatland ecosystem management and protection. Furthermore, regarding palm oil and biodiversity, through Presidential Regulation Number 44 Year of 2020, the Indonesian Government regulate the certification system for sustainable palm oil plantation, where biodiversity is one of principles in the certification. Moreover, the country has also strengthened its policies and capacities to prevent and address forest fires. In addition, the government policies also aim to strengthen community involvement in forest management and ensure that forest concessions also integrate biodiversity and carbon concerns.

To strengthen biodiversity conservation efforts, from 2020 to 2022, the Ministry of Environment and Forestry (MoEF) conducted a spatial-based nationwide biodiversity inventory and verification. Approximately 23 million hectares were verified as AIBDES outside Protected Areas (PAs), with most AIBDES either adjacent or connected to PAs. Furthermore, Ministerial Decree No. 168/Menlhk/PKTL/PLA.1/2/2022 was issued in 2022 to align the work of all Directorate Generals within the Ministry towards the Forestry and Other Land Use (FOLU) Net Sink 2030 goals, aiming for a net zero emissions by 2060 and targeting both forest and non-forest areas. Spatial analysis in developing the FOLU NET SINK 2030 operation plan identified at least 39 million hectares as AIBDES across Indonesia, confirming that existing PAs alone are insufficient to protect all species. Efforts to improve biodiversity management outside PAs are essential. These important areas are integrated into the Long-Term National Development Plan (RPJPN) for 2025-2045 and the Medium-Term National Development Plan (RPJMN) for 2025-2029, which aim to reduce threats to biodiversity and strengthen the management of high biodiversity areas outside PAs. Additionally, the protection and sustainable use of AIBDES is a proposed indicator in the national development plans. The mitigation of Human-Wildlife Conflict (HWC) is regulated by the Circular Letter of the Directorate General of Sustainable

Forest Management Number 7 of 2020 and the Ministerial Instruction on the Protection of Wild Animals from Trapping and Illegal Hunting Inside and Outside the Area.

Through Presidential Regulation Number 44 Year of 2020, the Indonesian Government regulate the certification system for sustainable palm oil plantation. Biodiversity is one of principles in the certification.

Despite these efforts, several barriers remain to mainstreaming global biodiversity into existing forest management outside PAs. These include:

Barriers identified

Based on this initial analysis of the forestry sector in Indonesia and the baseline understanding and projects, the following barriers have been identified that prevent effective integrated governance and management of AIBDES, for biodiversity, climate, and local livelihood benefits in Indonesia:

1. Ineffective policy, and institutional frameworks for an inclusive sustainable management of biodiversity of AIBDES outside PAs characterized by inadequate policy guidance/gaps, weak regulatory oversight, and inconsistent capacities for policy enactment;

2. Absence of integrated landscape-level governance at sub-national level for a sustainable management of biodiversity in AIBDES outside PAs compounded by factors such as limited stakeholder engagement, ambiguous land tenure policies, uncoordinated land-use concessions, decentralization pitfalls, and infrastructure-induced deforestation;

3. Insufficient private sector engagement in sustainable management and conservation of AIBDES owing to the misalignment of immediate financial returns with long-term sustainability, underdeveloped environmental guidelines in the timber and agricultural sectors, evolving regulatory frameworks, and incomplete development of biodiversity-positive livelihood approaches and sustainable value chains for community forest enterprises;

4. Financial and economic constraints, tied to the absence of specialized financial portfolios for biodiversity conservation and inadequate economic incentives such as PES; and

5. Gaps in knowledge management, and capacity building, illustrated by unexploited Public-Private Partnerships, myopic private sector perceptions, deficient human and technical capacities in SMEs, and lack of awareness regarding the sustainable use of biodiversity and its benefits.

By systematically addressing these elements, the project aims to generate enduring and scalable GEBs, serving as a catalyst for transformative change in Indonesia's conservation and sustainable use of biodiversity beyond PAs.

In a Business-as-Usual Scenario, legislative complexities and resource constraints will continue to impede integrated ecosystem management. Gaps in multi-level governance will persist, along with limited inclusion of local communities and traditional knowledge. The lack of clear guidelines for Other Effective Area-Based Conservation Measures (OECMs) and biodiversity-positive forest management plans weakens conservation effectiveness, specifically in areas outside PAs. Similarly, existing institutional deficiencies in countering illegal wildlife trade will continue to subvert the larger conservation enterprise. Private sector engagement will be constrained by the high costs and low perceived benefits of new conservation techniques. Gender imbalances and the compartmentalization of traditional ecological knowledge will further exacerbate the situation. Changes in system drivers such as population growth or government policy may exacerbate or ameliorate these trends. Climate change is projected to aggravate the situation further. In summary, perpetuation of the status quo presents significant risks—not only to Indonesia's biodiverse ecosystems but also to its international commitments under frameworks such as the SDGs. This dire forecast underscores the imperative for immediate, coordinated multi-stakeholder interventions aligned with national and international objectives.

In an alternative scenario, the project envisions a multi-faceted, integrated strategy as a countermeasure to environmental trends. Increased financial resources, skills enhancement, and policy framework fortification will act as catalysts for sustainable land use. A strong partnership involving governmental bodies, international donors, civil society, and the private sector will be key in reconciling conservation and development needs, thereby emphasizing ecological resilience and human well-being. This objective and alternative scenario framework is constructed to be resilient to various uncertainties, including climate change, shifting land use patterns, political instability, economic volatility, advancements in technology, and the efficiency of multi-stakeholder engagement. These challenges contribute to the project's long-term viability and ecosystem resilience. Alternative strategies will explore diversification of livelihood options, potentially capitalizing on growing tourism sectors. These alternative income avenues aim to mitigate undue pressure on biodiversity, offer diverse opportunities for community members, including women and youth, and tap into emerging markets for high-value, sustainably managed forestry resources.

This project builds on the foundation laid by previous and ongoing GEF and non-GEF investments in Indonesia's conservation sector, including especially those aimed at multistakeholder, cross-sectoral and cross-jurisdictional planning for integrated landscape management. By integrating lessons learned from these initiatives, such as the importance of community engagement and the need for robust governance frameworks, the project enhances the impacts of existing efforts and avoids redundancy. Collaborations with established programs like the SVLK, initiatives under FLEGT licensing, the Global Wildlife Program, or the ongoing GEF-7 project "Strengthening sustainability in commodity and food systems, land restoration and land use governance through integrated landscape management for multiple benefits in Indonesia " under the Food Systems, Land Use and Restoration (FOLUR) Impact Programme (IP) in Indonesia provide a continuity of efforts, ensuring that new strategies are informed by proven practices and contribute to cumulative conservation gains. The project could tap into knowledge and expertise of multistakeholder platforms active in Indonesia which involve private sector companies active in agriculture and forestry, including for example the Sustainable Trade Initiative IDH, the Indonesian Business Council for Sustainable Development, or the Fire Free Alliance (FFA). Further, the project can benefit from regional and global knowledge-sharing initiatives, such as the GEF-8 Critical Forest Biomes IP whose objective to maximize transformational impact

and regional engagement for the safeguarding of globally important primary forests across Indo-Malay align with this project's objective.

[i] Indonesia's Forest Area is categorized into three different functions: (1) Production Forests/HP (68.8 million ha); (2) Protection Forests/HL (29.6 million ha); and (3) Conservation Forests (22.1 million ha). Production forests consist of Permanent Production Forests (HP), Limited Production Forests (HPT), and Convertible Production Forests (HPK). The Protection Forests are forest area designed as buffer zones to: (1) regulate hydrology; (2) control floods; (3) prevent erosion; (4) avert abrasion; and (5) maintain soil fertility. The Conservation Forest area is categorized into Sanctuary Reserve Areas (KSA) and Nature Conservation Areas (KPA). KSA consists of Strict Nature Reserves (CA) and Wildlife Sanctuaries (SM). Meanwhile, KPA consists of National Parks (TN), Nature Recreation Parks (TWA), and Grand Forest Parks (Tahura). KSA/KPA can be terrestrial or marine. All types of KSA/KPA with a majority of areas on land are classified as terrestrial KSA/KPA and cover a total of 22.1 million ha. On the other hand, all types of KSA/KPA where the majority of the area is located in the sea are classified as marine KSA/KPA and cover a total of 5.3 million ha.

[ii] United Nations. (2021). SEEA and Biodiversity in Indonesia. System of Environmental-Economic Accounting.

[iii] Food and Agriculture Organization of the United Nations. (2020). Global Forest Resources Assessment 2020. Rome

[iv] Encyclopedia Britannica. (n.d.). Indonesia - Plant and animal life. Retrieved from Indonesia - Rainforest, Wildlife, Flora | Britannica

[v] https://backpanel.kemlu.go.id/Shared%20Documents/The%20State%20of%20Indonesias%20Forest%202022.pdf

[vi] Ministry of Foreign Affairs Republic of Indonesia. (2022). The State of Indonesia's Forest 2022.

[vii] These species include the Sumatran Tiger and Elephants, Orangutan, Leopard, and various endemic and migratory birds.

[viii] Campbell-Smith G, Campbell-Smith M, Singleton I, Linkie M (2011) Apes in Space: Saving an Imperiled Orangutan Population in Sumatra. PLoS ONE 6(2): e17210. https://doi.org/10.1371/journal.pone.0017210

[ix] Data compiled from www.keybiodiversityareas.org

[x] World Bank Group. (2023). Indonesia Country Climate and Development Report.

[xi] United Nations. (2021). SEEA and Biodiversity in Indonesia. System of Environmental-Economic Accounting.

B. PROJECT DESCRIPTION

Project description

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the PIF guidance document. (Approximately 3-5 pages) see guidance here

Project overall objective

Utilizing targeted GEF support specific to Indonesia, in alignment with concurrent national and regional initiatives, the primary objective of this project is to strengthen integrated landscape management and governance mechanisms to ensure the conservation and sustainable use of Areas Important for Biodiversity and Ecosystem Services (AIBDES), thereby contributing significantly to global biodiversity conservation efforts.

This project builds on the inventory activities carried out by BPPE. In the areas inside and outside PAs already verified as AIBDES using spatial data, local authorities have initiated the identification of priority actions and landscapes. Strategies to address the drivers of biodiversity loss were discussed during the various

consultations held and pathways and interventions (including governance and community involvement) were devised.

If-Then causal pathways:

1. **Policy and governance:**
    - **If:** Effective policies and governance frameworks are developed and enforced at national and local levels,
    - **Then:** There will be a stronger regulatory and institutional foundation for biodiversity conservation, leading to improved sustainable management practices in AIBDES outside PAs.
2. **Integrated landscape governance:**
    - **If:** Landscape-level governance is integrated and strengthened, with active and inclusive participation from local communities, government, and the private sector,
    - **Then:** Biodiversity management across different land uses will be more cohesive, effectively reducing habitat fragmentation and degradation.
3. **Private Sector engagement:**
    - **If:** The project collaborates with palm oil companies and forest concessions to develop and implement biodiversity-positive management plans,
    - **Then:** These areas will experience reduced deforestation and enhanced habitat connectivity, contributing significantly to the conservation of globally significant biodiversity.
4. **Sustainable financing and economic incentives:**
    - **If:** Innovative financial mechanisms such as PES and conservation trust funds are effectively implemented and integrated with biodiversity conservation goals,
    - **Then:** Sustainable practices will be incentivized, ensuring the long-term financial sustainability of biodiversity conservation efforts.
5. **Capacity building and knowledge management:**
    - **If:** Capacities are built and knowledge is effectively managed and disseminated among stakeholders through integrated systems that use SMART indicators to measure success,
    - **Then:** There will be increased local and regional capability to implement and scale up successful biodiversity conservation strategies.

Assumptions underlying the causal pathways:

The achievement of the project outcomes and progress towards the project objective and longer-term impacts also depends on several wider assumptions (‘A’s in ToC Figure 1). Assumptions that directly relate to achievement of the project’s immediate outcomes are that:

A.1. Local and national governments are willing to revise and enforce policies that support integrated landscape management and biodiversity conservation.

A.2. The private sector is motivated to adopt and implement biodiversity-positive practices due to economic benefits and regulatory support.

A.3. Financial mechanisms are accessible and attractive to stakeholders, leading to sustained investment in biodiversity conservation.

A.4. Community engagement and participation in biodiversity management practices are high, driven by visible benefits to local livelihoods and environmental health.

Impact drivers:

There are also several impact drivers[i][xii] ('D's in ToC Figure 1) that facilitate progress along the causal chain:

D.1. Enhanced policy coherence and enforcement lead to more effective management of AIBDES.

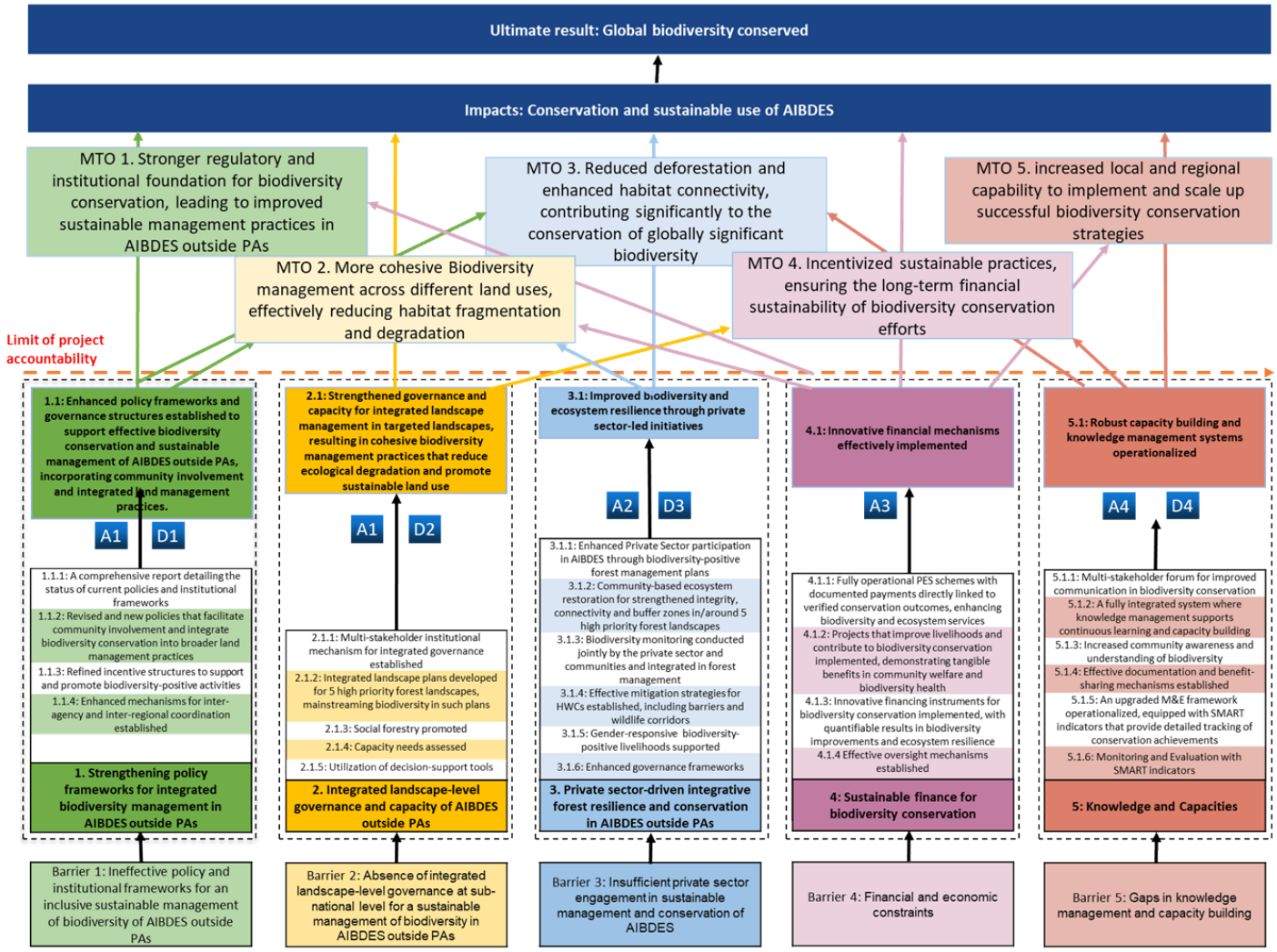
D.2. Integrated landscape management reduces ecological fragmentation, stabilizing ecosystems and enhancing their resilience to climate change.

D.3. Engagement of the private sector and local communities increases resources for conservation, creating a multiplier effect that benefits both biodiversity and local economies.

D.4. Knowledge sharing and capacity building empower stakeholders to adopt best practices in biodiversity conservation and sustainable land use.

By following these if-then causal pathways, the project aims to achieve improved conservation outcomes for biodiversity and ecosystem services in landscapes outside PAs, ultimately contributing to global efforts to conserve biodiversity and mitigate the impacts of climate change.

If the project outcome-level assumptions and impact drivers (A1-4 and D1-4) are met, then delivery of the five project Components will result in further gains along the causal pathways to achieving improved management of forested AIBDES contributing to biodiversity, climate, and local livelihoods. Hence the project will monitor progress against the assumptions and drivers and adapt activities if they are not being realized.



The project's conceptual architecture and Theory of Change (ToC) are closely aligned, with the latter depicted in Figure 1 for overarching clarity. The architecture comprises five interconnected components, each designed to address both global and local environmental imperatives. These components adhere to ecosystem-based management approaches and foster gender inclusivity, thereby ensuring project resilience and adaptability to evolving environmental conditions, stakeholder needs, and gender dynamics. These five components mirror the five interlinked pathways delineated in the ToC, each addressing a specific barrier to achieving the project objective. These pathways define distinct project components that consist of sets of project activities and outputs, delivering immediate project outcomes.

The project aims to contribute to both immediate outcomes and a broader set of development objectives, socio-economic gains, and cultural co-benefits. Employing Integrated Landscape Management as a foundational approach, the project aims to generate many co-benefits. These encompass enhanced biodiversity conservation including sustainable use of potential genetic resources, empowerment of local communities—with an accentuated focus on the role of women in conservation—and the advancement of performance-based rewards for avoided deforestation and degradation. Through these measures, the project seeks to improve ecosystem services, fortify resilience against climate change, and support adaptive livelihoods. Additional socio-economic co-benefits include better employment opportunities, increased income, improved health, and greater gender equality. Collectively, these efforts are designed to contribute to

the achievement of Sustainable Development Goal targets for Indonesia, particularly SDG15, which is centered on the sustainable management of terrestrial ecosystems.

[i] Impact drivers are defined as significant external factors that can positively influence the direction of change along the project's causal pathways from outputs to outcomes to impacts, and over which the project, or its stakeholders/partners has some degree of control or influence, e.g., public pressure on decision-makers through KM and advocacy activities.

Five project components

The project strategy was discussed with stakeholders at well-attended national multi-stakeholder consultations (August 28, 2023) in Jakarta and in Bogor (details in Section D). The project objective will be achieved via five interrelated and complementary strategies (Project Components comprising Outcomes and Outputs) that focus on removing/reducing the five key barriers to accomplish the long-term solution (Section Rationale) by means of intervention pathways shown in the TOC diagram (Figure 1). Indicators and assumptions for the accomplishment of expected Outcomes under the respective Components are given in the Project Results Framework. In particular Component 1 "Policy and regulatory framework enhancement" will further develop and enforce national and local policies focused on biodiversity conservation within AIBDES. Update and refine wildlife protection laws and integrate sustainable land-use practices into regulations. Component 2 "Integrated landscape management" will strengthen governance mechanisms to embed biodiversity conservation into broader land-use planning and management, providing targeted training for stakeholders. Component 3 "Private sector engagement in biodiversity conservation" will deepen collaboration with the private sector, including palm oil and forestry sectors, to promote and implement biodiversity-positive practices and develop green supply chains. Component 4 "Financial mechanisms for biodiversity conservation" will expand and operationalize innovative financial mechanisms such as payment for ecosystem services, biodiversity credits, and conservation trust funds that directly incentivize biodiversity conservation. Component 5 "Knowledge management and capacity building" will enhance capacity-building initiatives by offering more frequent workshops, training sessions, and educational materials focused on effective biodiversity management and conservation strategies.

Component 1: Strengthening policy frameworks for integrated biodiversity management in AIBDES outside PAs

Objective: Address the barrier of ineffective policy and institutional frameworks for inclusive sustainable management of biodiversity in AIBDES outside PAs through targeted policy reforms and strategic planning.

Transformation pathway 1: Strengthening policy frameworks for integrated biodiversity management

1.1.1. **Status and gap assessment**: Conduct a comprehensive analysis of current policy frameworks and institutional capacities at both national and local levels. Identify gaps and barriers that hinder effective biodiversity management. This assessment will provide a detailed understanding of the limitations and challenges in existing frameworks, guiding targeted interventions to enhance biodiversity governance.

1.1.2. **Policy revision and preparation**: Revise existing policies and draft new regulations to support integrated biodiversity management. Focus on incorporating provisions for community co-management and OECMs, ensuring these frameworks facilitate active and inclusive participation. Enhanced legislative support will enable effective local governance of biodiversity, encouraging sustainable management practices that protect and conserve biodiversity.

1.1.3. **Addressing perverse incentives**: Identify and modify incentives that currently lead to negative biodiversity outcomes. Reform economic and regulatory incentives to support conservation efforts instead of undermining them. By aligning incentives with biodiversity conservation goals, this activity will reduce practices harmful to biodiversity, promoting more sustainable land and resource use.

1.1.4. **Coordination and conflict resolution**: Establish mechanisms for better coordination between national and local authorities, resolving conflicts and overlaps in jurisdiction that hinder effective biodiversity management. Improved coordination will ensure that conservation efforts are harmonized across different governance levels, leading to more effective implementation of biodiversity strategies.

Component 2, 3 and 4 will be implemented at proposed targeted landscapes described below.

Component 2: Integrated landscape-level governance for sustainable biodiversity management in AIBDES outside PAs

Objective: Strengthen landscape-level governance to enable sustainable biodiversity management in AIBDES outside PAs, promoting ecosystem resilience and community empowerment.

Transformation pathway 2: Integrated landscape governance

2.1.1. **Establishment of multi-stakeholder institutional mechanism:** Create a governance framework that includes various stakeholders from local, regional, and national levels to facilitate integrated decision-making and resource management. Enhanced collaborative governance will lead to more cohesive and effective biodiversity conservation strategies, ensuring that various stakeholder needs are balanced with conservation objectives.

2.1.2. **Development of integrated land-use plans:** formulate land-use plans that integrate biodiversity conservation with economic and social development goals, involving a broad spectrum of stakeholders in the planning process. Harmonized land-use planning will minimize habitat fragmentation and degradation, promoting landscape connectivity and resilience, crucial for sustaining biodiversity in fragmented landscapes.

2.1.3. **Implementation support for biodiversity conservation policies:** Facilitate the adoption and implementation of national policies aimed at biodiversity conservation within local governance frameworks, enhancing policy coherence and enforcement. Strengthened policy implementation will ensure that protective measures for biodiversity are enforced, reducing illegal and unsustainable practices that threaten ecosystem health.

2.1.4. **Capacity needs assessment:** Identify and assess capacity gaps at local and regional governance levels to enhance administrative and technical capabilities for biodiversity management. Building local capacity for biodiversity management will empower communities and local governments to more effectively conserve and sustainably manage their natural resources, enhancing local stewardship and conservation outcomes.

2.1.5. **Utilization of decision-support tools:** Deploy spatially explicit decision-support tools to optimize management decisions, enhancing the effectiveness of conservation and land-use planning. The use of advanced tools will improve the accuracy and effectiveness of management interventions, leading to better protection and restoration of critical habitats and biodiversity corridors, thereby supporting overall ecosystem health and resilience.

One of the key considerations under this Component will be to ensure that governance efforts do not displace threats to forests outside the targeted landscapes by carefully monitoring and adjusting management strategies in response to evolving environmental and social dynamics. Key to the successful design and implementation of Component 2 will be the ability to learn from successes and failures of past investments into integrated landscape management at all scales, and to capitalize good practices related to multistakeholder, cross-sectoral and cross-jurisdictional approaches that can be applied to this GEF investment.

Component 3: Private sector-driven integrative forest resilience and conservation in AIBDES outside PAs

Objective: Enhance private sector involvement in conservation efforts in AIBDES outside PAs, ensuring their active participation in biodiversity-positive management practices that align with both corporate interests and conservation goals.

The private sector, including large-scale private enterprises such as Sinar Mas Group, Musim Mas, and state-owned enterprises like Perum Perhutani, will play pivotal roles in driving forest resilience and biodiversity conservation. These entities are engaged differently, with private enterprises focusing on agroforestry and state-owned enterprises managing both timber and non-timber forest products. This diversity in operational focus leverages the unique capacities of each sector to enhance conservation outcomes across the project areas. National level platforms for engagement with the private sector include IDH, the Indonesian Business Council for Sustainable Development and others.

Transformation pathway 3: Private sector-driven integrative forest resilience and conservation

3.1.1. Establish partnerships with key private sector players such as palm oil companies and forest concessions to implement and support biodiversity-positive practices. This output focuses on integrating High Conservation Value Forest (HCVF) approaches and SMART Patrol-based protection systems, alongside promoting biodiversity-positive agroforestry systems that enhance ecosystem connectivity within their operational landscapes. These integrated practices will help in conserving high-biodiversity zones within commercial landscapes, contributing directly to the resilience and ecological health of AIBDES. Such agroforestry systems will complement traditional forest management techniques, creating synergies that maximize biodiversity conservation and ecosystem services. Rationale and incentives: Companies will benefit from enhanced corporate responsibility profiles and compliance with national and international environmental standards, offering them a competitive edge and potentially higher market access. By adopting these integrated management practices, private sector partners can demonstrate leadership in sustainable landscape management, attracting further investment and support from conservation and development sectors.

3.1.2. **Community-based ecosystem restoration:** Implement restoration projects that enhance ecosystem integrity, connectivity, and create buffer zones around high-priority landscapes. These projects will be co-managed with local communities and supported by private sector partnerships, emphasizing the restoration of native vegetation and the rehabilitation of degraded lands. The restoration of ecological

corridors and buffer zones will enhance habitat connectivity, facilitating wildlife movement and increasing the resilience of native species populations. This activity directly supports the structural connectivity of landscapes, which is crucial for maintaining ecological processes and species migration. Companies can invest in restoration activities as part of their CSR initiatives or environmental compliance strategies.

3.1.3. **Joint biodiversity monitoring initiatives:** Establish a collaborative monitoring framework that involves the private sector, local communities, and conservation organizations. This framework will utilize modern technologies and traditional knowledge to monitor biodiversity trends and ecosystem health within and surrounding operational areas. Continuous and effective monitoring will provide data essential for adaptive management, helping to assess the success of conservation efforts and guide future actions. By participating in and funding biodiversity monitoring, private sector entities not only adhere to environmental regulations but also gain valuable insights into the health of ecosystems they depend on.

3.1.4. **Infrastructure for HWC mitigation:** Implement physical and technological measures to mitigate conflicts, particularly in areas where wildlife habitats intersect with agricultural or commercial activities. Reducing conflicts will help maintain biodiversity by stabilizing wildlife populations and reducing mortality rates due to human interactions. Companies can fund infrastructure projects, such as wildlife barriers, which prevent animals from entering farmlands or plantation areas, reducing the likelihood of conflicts and damage. Safeguards to prevent and mitigate negative consequences on wildlife and humans of infrastructure development will be put in place, building on existing knowledge, resources and networks, including e.g. the Global Wildlife Program.

3.1.5. **Sustainable development and community engagement initiatives:** Support private sector-driven community development projects that promote biodiversity conservation, such as eco-tourism, sustainable agricultural practices, and the expansion of community-based sustainable land management practices. Emphasize implementing agroforestry and other sustainable practices that align with biodiversity conservation goals. These community-based conservation efforts help in habitat conservation and create economic incentives for locals to protect biodiversity. Incentives for the private sector: These initiatives enhance community relations and stabilize the operational environment, providing long-term benefits for business continuity and local goodwill.

3.1.6. **Capacity building and governance support:** Collaborate with local and regional government bodies to strengthen governance frameworks and establish partnerships that support sustainable management and conservation efforts led by the private sector. Stronger governance will ensure that private sector initiatives are aligned with conservation objectives and are effectively monitored and regulated. Support from Perum Perhutani and BKSDA ensures regulatory oversight and integration of private sector efforts into broader landscape management strategies.

Component 4: Sustainable finance for biodiversity conservation

Objective: Implement and operationalize financial mechanisms to robustly support biodiversity conservation and sustainable livelihood improvements in high-value areas outside PAs.

Transformation pathway 4: Financing biodiversity conservation for GEBs

4.1.1. **Operationalization of Payment for Ecosystem Services (PES):** Actively implement PES schemes that compensate stakeholders for conservation actions that sustain or enhance ecosystem services crucial to biodiversity. These PES schemes incentivize sustainable land management practices that

conserve critical habitat, enhance soil fertility, and maintain water quality, thereby supporting diverse species and ecosystem health.

4.1.2. **Integration of livelihood improvements with biodiversity gains:** Implement projects that enhance livelihoods through sustainable practices that also contribute to biodiversity, such as sustainable agroforestry and ecological forestry techniques that increase habitat connectivity and species diversity. These projects support the dual goals of economic development and ecological sustainability, helping communities to thrive while conserving the natural environments on which they depend. This approach helps to maintain biodiversity by integrating it into the economic activities of local communities. Recent initiatives such as the Rimba Collective could provide a platform to connect with, with a view to capitalize lessons learnt regarding e.g. project selection or multistakeholder engagement, and to co-finance projects.

4.1.3. **Implementing innovative conservation financing instruments:** Identify, develop or adapt, and manage adapted financing mechanisms, such as e.g. conservation bonds, biodiversity offsets, blended finance instruments connected to GEF investments, or other forms of environmental performance-based incentive policies (such as TAKE (ecologically based budget transfer for regencies) and TAPE (ecologically based Provincial Budget Transfer)). This will ensure that activities are directed at /contribute to biodiversity conservation that finance measurable conservation projects with direct impacts on biodiversity. The funds from these instruments directly contribute to habitat restoration, anti-poaching efforts, and species recovery programs, which are vital for maintaining and enhancing biological diversity in targeted landscapes.

4.1.4. **Governance and monitoring enhancements:** Set up stringent monitoring and governance frameworks to ensure that financial mechanisms are transparently managed and achieve conservation targets. Periodic evaluations are conducted to adapt financial strategies based on emerging data and conservation needs. Robust governance and monitoring ensure that projects achieve their intended biodiversity goals, allowing for timely adjustments and increased efficacy in conservation efforts.

Component 5: Integrated capacity building and knowledge management for AIBDES sustainability

Objective: Enhance the effectiveness of biodiversity conservation outside PAs through robust knowledge management, targeted capacity building, and comprehensive stakeholder engagement.

5.1.1. **Multi-stakeholder engagement and communication:** Establish a dynamic multi-stakeholder forum for regular dialogue and collaboration among all conservation stakeholders. This forum will facilitate the sharing of knowledge, address challenges, and disseminate best practices related to biodiversity conservation. Improved coordination among stakeholders enhances the implementation of conservation strategies that are adaptive to local conditions and challenges. The project will also tap into existing multi-stakeholder coordination platforms (including e.g. IDH, the Indonesian Business Council for Sustainable Development, or the regional coordination platform under GEF-8 CFB Indo Malaya) to gather good practices informing project implementation, and share lessons learnt.

5.1.2. **Integrated knowledge and capacity building:** Develop and maintain a centralized knowledge management system that is directly linked with targeted capacity-building programs. This system will not only capture and disseminate conservation lessons and best practices but also inform and enhance the training programs designed for local stakeholders. Strengthened local capacities and an enhanced understanding of effective conservation strategies lead to more sustainable actions and improved biodiversity outcomes.

5.1.3. Community awareness and education: Conduct targeted awareness campaigns and educational initiatives that raise understanding and appreciation of biodiversity values among local communities. Utilize culturally appropriate methods, including digital tools or other innovative approaches, and involve local leaders to maximize outreach and impact. Well-informed communities actively participate in conservation efforts, enhancing the overall effectiveness of these initiatives and leading to robust biodiversity conservation.

5.1.4. Documentation and benefit-sharing of genetic resources: Systematically identify, document, and promote the sustainable use of genetic resources. Develop and implement benefit-sharing mechanisms that ensure communities and stakeholders benefit equitably from the utilization of these resources. Sustainable management of genetic resources contributes to the conservation of biodiversity while supporting local economies.

5.1.5. Monitoring and Evaluation: Implement a robust monitoring and evaluation framework to assess the impact of all integrated activities on biodiversity conservation efforts, identifying successful practices and areas for improvement. Effective monitoring and evaluation ensure that activities are achieving intended conservation outcomes and contributing to the sustainable management of biodiversity.

5.1.6. Monitoring and Evaluation with SMART indicators: Develop and implement a comprehensive M&E framework that includes SMART indicators tailored specifically to measure progress in biodiversity conservation. This framework will capture quantitative and qualitative data on the impacts of capacity building, knowledge management, and community engagement initiatives on biodiversity outcomes. The use of SMART indicators enables precise measurement of project impacts on biodiversity, ensuring that all conservation efforts are data-driven and results-oriented. This approach facilitates real-time feedback and adaptive management, enhancing the overall success and sustainability of conservation initiatives.

Project Site Description

Guided by the ToC's focus on AIBDES—particularly those outside PAs—the project strategically targets areas rich in biodiversity, ecosystem services, and livelihood opportunities. This process effectively translates the strategic vision outlined in the ToC into focused, actionable interventions. Building on this alignment, the project zeroes in on four demonstrative landscapes that have already been verified as AIBDES by BPPE. These were rigorously selected via multi-stakeholder consultations (see Section D) and are untapped by other donor-funded initiatives. Each of these landscapes is unique in its geographical features, governance structures, and livelihood factors, necessitating customized intervention strategies. These landscapes are critical not only for hosting endangered and endemic species but also for their irreplaceable contribution to human well-being and ecological resilience.

Table 1. Selected landscapes and key characteristics

Targeted Landscape	Central Java			South Sumatra
	Ungaran	Muria	Petung Kriyono	Sugihan-Simpang Heran
Total population	98,667	130,614	91,664	75,302
Total area (ha)	3,839.00	11,411.56	8,010.60	634,145.64

Key species and ecosystems	Critically Endangered species like the Sunda Pangolin and the Javan leopard; Important Bird Area (IBA) with protected, endemic, and critically endangered bird species; potential for plant genetic diversity.	High population density of Javan leopards and the discovery of a new lizard species, the Muria stone-lizard; separated by settlements and national roads, making it an isolated ecosystem.	Protected species such as the Javan leopard and Javan gibbon; subject to diverse biodiversity research topics, ranging from dragonflies to herpetofauna.	Critically endangered Sumatran elephants; hosts other wildlife such as Sumatran tiger, leopard cat, Malayan sun bear, and significant bird species like Storm's stork.
Biodiversity indicator	Javan Leopard (EN), Javan Eagle (EN)	Javan Leopard (EN), Javan Eagle (EN)	Javan Gibbon (EN), Javan Eagle (EN)	Sumatran Elephant (CR), Sumatran Tiger (CR)
Conservation Forest	0,01%	0%	0%	**13,90%**
Protection Forest	**68%**	**44%**	0%	0%
Limited Production Forest	**16%**	**28%**	**97%**	0%
Permanent Production Forest	**16%**	**28%**	0%	**85,86%**
Other land use (APL) forest	0%	0%	**3%**	0%
Key livelihoods	Industrial labor, along with farming activities primarily focused on coffee cultivation, particularly of the Robusta variety.	Farming and entrepreneurship, with a special emphasis on Robusta coffee cultivation.	Diverse sources of income include burgeoning tourism with over 10 attractions managed by community-based organizations.	Agriculture-based livelihoods such as rubber, palm oil, pulp, and acacia plantations.
Additional Context	Functions as an industrial support hub.	Holds cultural significance for both Islamic and Buddhist communities and is under development for religious tourism.	Coffee plantations are also a notable sector, covering approximately 1,940 ha.	Presence of landless workers engaged in industrial concessions.
Main Threat to Biodiversity	Forest conversion into plantation.	Forest conversion into plantation.	Forest conversion into plantation.	Forest conversion into palm oil, pulp and acacia plantation, Fire.
Opportunities	Supported by a governor's decree designating the area as a PA.	Governor's decree in place; further PA designation is under review by the MoEF. In addition, there is ongoing support from Private Sector.	High level of conservation awareness among the local community.	MoU established among parties for the management of an elephant corridor.
Project proposed activities	Restoration of isolated ecosystems.	Restoration of isolated ecosystems.	Connectivity	Connectivity

Population density and habitat configuration vary notably, contrasting compact landscapes like Ungaran and Muria with expansive ones like Sugihan-Simpang Heran, which range from 3,500 ha to 11,411 ha, and the expansive Sugihan-Simpang Heran that spans 634,145.64 ha. This variance in size also correlates with population density, which is as low as 0.16 hab./ha in Sugihan-Simpang Heran and peaks at 25.70 hab/ha in Ungaran.

Varied forest management types across these landscapes inform tailored management strategies. While Ungaran and Muria predominantly contain 68% Protection Forest and 32% Production Forest, Petung Kriyono is overwhelmingly a Limited Production Forest at 97%. Sugihan-Simpang Heran on the other hand, is characterized by Permanent Production.

The three landscapes in Java have coffee cultivation as a key driver of deforestation. It illustrates a national trend that Smallholder coffee farms, especially those employing shifting cultivation, contribute to deforestation. Indonesia's coffee crop area stands at about 1.2 million hectares, with smallholder plantations accounting for about 98% of the total area[i]. In contrast, Sugihan-Simpang Heran is susceptible to threats from industrial agricultural activities, notably palm oil and pulp plantations.

Global environmental benefits:

The project's work to support effective landscape management, including restoration is expected to conserve Indonesia's globally important forests and wildlife species. Some of the key threatened species at the proposed landscapes include Javan Leopard (EN), Javan Eagle (EN), Javan Gibbon (EN), Sumatran Elephant (CR), Sumatran Tiger (CR), Proboscis monkey (EN). In addition, as per Indonesia's vision for a net zero economy, project supported activities are also expected to enhance carbon sequestration in these landscapes and ensure sustainable land and water management.

South Sumatra

Approximately 1.8 million hectares of AIBDES have been verified in South Sumatra. There are at least three notable wildlife home ranges available in those areas, two of those are the Padang Sugihan Wildlife Reserve – Simpang Heran landscape (634,145.64 ha). Negative interactions between humans and wildlife have been occurring in those areas, since the two landscapes are important home range areas for Sumatran Tiger (CR) and Sumatran Elephant (CR). These landscapes are also under constant threat from land conversion into plantation and forest fire. Thus, the project will aim to connect the AIBDES to the adjacent PA, construct ecological corridors based on available spatial data analysis, and develop a commitment between relevant stakeholders to protect biodiversity in those areas. Furthermore, the project will also restore important habitats and ecosystems aligned with the FOLU Net Sink 2030 target areas in Padang Sugihan Wildlife Reserve and Dangku Wildlife Reserve.

Central Java

Central Java arguably is the most important region for biodiversity on the island of Java. There are only a limited number of conservation forests in Central Java and their location is scattered. Thus, this situation has created habitat fragmentation for some important species. Important biodiversity (e.g. the Javan Leopard) in Central Java are found in the Production Forest and Protection Forest area managed by the Local Government. This issue is also supported by the biodiversity inventory spatial analysis. The project aims to enhance the protection of these habitats through stakeholders' involvement and empowerments, especially for Local Government and communities.

[i] World Economic Forum. (2021, February). 7 commodities driving deforestation. World Economic Forum

Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

If so, please describe that role here. Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing

The project will ensure strong coordination and collaboration with relevant national and regional projects/ programs. These will include the following key GEF projects in the country:

GEF Project Title	ID	Implementing Agencies
Protection of biodiversity and sustainable land-use in conservation landscapes in South Sulawesi, Gorontalo and East Nusa Tenggara	10913	United Nations Environment Programme
Strengthened Systems for Community-based Conservation of Forests and Peatland Landscapes in Indonesia (CoPLI)	10731	International Fund for Agricultural Development
Strengthening Capacities for Management of Invasive Alien Species (SMIAS) in Indonesia	10705	Food and Agriculture Organization
Catalyzing Optimum Management of Nature Heritage for Sustainability of Ecosystem, Resources and Viability of Endangered Wildlife Species (CONSERVE)	10236	United Nations Development Programme
Strengthening of Social Forestry in Indonesia	9600	The World Bank
Integrated Management of Peatland Landscapes in Indonesia (IMPLI)	9239	International Fund for Agricultural Development
Combatting Illegal and Unsustainable Trade in Endangered Species in Indonesia	9150	United Nations Development Programme
Strengthening Forest Area Planning and Management in Kalimantan	6965	United Nations Development Programme
Strengthening Forest and Ecosystem Connectivity in RIMBA Landscape of Central Sumatra through Investing in Natural Capital, Biodiversity Conservation, and Land-based Emission Reductions (RIMBA project)	5285	United Nations Environment Programme

In addition, the project will ensure strong learning and sharing through the GEF8 Critical Forest Biomes Integrated Program (Indo Malayan Region) as well as GEF8 Food Systems IP.

Core Indicators

Indicator 1 Terrestrial protected areas created or under improved management

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
110147	0	0	0

Indicator 1.1 Terrestrial Protected Areas Newly created

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
0	0	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Indicator 1.2 Terrestrial Protected Areas Under improved Management effectiveness

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)
110147	0	0	0

Name of the Protected Area	WDPA ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Dangku Wildlife Reserve	8980	Habitat/Species Management Area	31,752.00						
Gebugan Nature reserve	8599	National Park	20.00						
Kuala Lupak Wildlife Reserve	555511951	Habitat/Species Management Area	3,375.00						

Padang Sugihan Wildlife reserve	10320	Habitat/Species Management Area	75,000.00						

Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
3759	0	0	0

Indicator 3.1 Area of degraded agricultural lands under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
3,759.00			

Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
565498	0	0	0

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
565,498.00			

Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.4 Area of High Conservation Value or other forest loss avoided

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Documents (Document(s) that justifies the HCVF)

Title

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)	6258470	0	0	0
Expected metric tons of CO_2e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)	6,258,470			
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting	2025			
Duration of accounting	20			

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)				
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	20,000			
Male	20,000			
Total	**40,000**	**0**	0	**0**

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

 Core Indicator for Terrestrial PAs created or under improved management: The target of 88,150 ha aims to enhance AIBDES inside PAs through improved management facilitated by robust Private Sector engagement. This target is set based on assessments of potential benefits from private-sector investments in areas like Gebugan Nature Reserve in Java (WDPA ID: 8599), Padang Sugihan Wildlife Reserve in South Sumatra (WDPA ID: 10320), Dangku Wildlife Reserve (WDPA ID: 8980), and Kuala Lupak Wildlife Reserve (WDPA ID: 555511951).

 Core Indicator for Area of land and ecosystems under restoration: The target of 3,759 ha addresses Output 3.1.2, targeting the restoration of critical ecosystems in isolated landscapes, buffers, and corridors. This target is based on assessments of degraded areas that stand to benefit from private-sector investment.

 Core Indicator for Area of landscapes under improved practices: The ambitious target of 565,498 ha encompasses about 85% of the total landscape area of 657,407 ha. This part of Component 3 focuses on enhancing AIBDES through improved management practices and private sector investment, applying agroforestry systems (output 3.1.1), sustainable land management, and integrated landscape governance to overcome financial and economic barriers.

 Core Indicator for GHG emissions: Please refer to the uploaded exAct calculations.

 People Benefiting from GEF-financed Investments: This targets at least 40,000 beneficiaries, including a minimum of 20,000 women, under Output 3.1.1. The aim is to leverage enhanced private sector participation for job creation and capacity building, engaging nearly 12% of the total population of 396,247 to ensure inclusivity and support socio-economic objectives.

Key Risks

	Rating	Explanation of risk and mitigation measures

CONTEXT		
Climate	Moderate	Preliminary climate risk screening undertaken for this project at PIF stage is uploaded in the document section for this project. Climate change and natural disasters pose threats to project implementation and outcomes. The risk will be mitigated through: (i) Employing Participatory Steps for the identification of AIBDES outside Pas to ensure climate-resilient and environmentally sustainable activities; (ii) Strengthening the management practices of AIBDES outside Pas to boost natural system resilience; (iii) Monitoring the conditions and change of ecosystems to preclude unintended activity-induced damage and improve climate resilience; (iv) Leveraging Management Knowledge and Communications for heightened climate awareness and resilience measures.
Environmental and Social	Moderate	Risk 1: Adverse impacts on the means of livelihoods of those who have been long dependent on natural resources for daily subsistence (due to restricted use of natural resources from a) project investment and b) policy revision). Key mitigation measures: - Identify project affected stakeholders and interested stakeholders and conduct stakeholder analysis (vis-a-vis project activities). - Conduct FPIC consultation with all identified project stakeholders and identify vulnerable/disadvantage groups who are likely adverse impacted by a) project investment activities and b) revised policy that may change land use and/or restrict current use of natural resources (e.g. land, forest products). - Consult with groups potentially adversely affected by a)project activities and b) policy revision to identify, discuss, and agree upon potential measures (e.g. alternative livelihoods options) that they could take to improve their income/ livelihoods while gradually reducing their dependence on natural resources for daily subsistence/ income. For Indigenous Peoples, measures proposed for discussion should be culturally appropriate to them. - Terms of Reference for Policy revisions that are financed by the project are subject to the review of FAO prior to engaging consultants to conduct policy review and revision. - Drafts of revised policy/new policies are subject to consultation with potentially affected groups – as part of the overall reiterative FPIC consultation with identified affected groups. Risks 2: Localized environmental pollutions (associated with community-based development activities such as ecotourism and natural resource value addition) due to increased human activities (particularly during high seasons). Mitigation measures: - Depending on the nature, scope and scale of environmental risks and impacts of proposed community based development activities, mitigation measures (to be taken) may include a) application of good environmental code of practices (ECOP), b) preparation of environmental management plan (EMP). EMP is subject to FAO's review prior to implementation. Risk 3: Potential adverse impact on species and habitats (e.g. disrupting routes of animals, casual hunting) due to community-based ecotourism and natural resource value addition. Mitigation Measures: - Community-based ecotourism and natural resource value addition

		activities to be financed by the project is subject to biodiversity screening (site-specific, as part of the overall E&S screening) to understand the nature, and assess the likelihood and magnitude of biodiversity impact of the proposed investment activities, and propose mitigation measures (e.g. site-specific biodiversity action plan). - Guidelines for eco-friendly practices will be enhanced (e.g. for private plantations areas)(iv) Harvest limits for non-timber forest products will be set and monitored based on population health. Risk 4: Deforestation leakage where project's forest conservation measures (e.g. reducing deforestation, illegal logging, or wildlife poaching) trigger a shift of deforestation to other forests outside of the project area). Mitigation Measures: (i) A landscape-level ecological managementplan/ strategy (that goes beyond the project sites to include surrounding areas) will be developed and implemented. This plan will integrate current active national legislations for landscape ecological management and policies to be revised under the project to help in monitoring and managing the broader ecological impact. (ii) The project will prepare Stakeholder Engagement Plan (SEP) to facilitate project engagement with local communities, government bodies, and other interested stakeholders todiscuss and create a unified approach tosustainable lforest conservation,including environmental and social risk management. The SEP will include a project-level grievance redress mechanism as part of the effort to promote two-way communications, particularly to resolve complaints from individuals/groups that are affected by project activities. (iii) Monitoring and surveillance in and around the project sites will be increased. Utilize technology such as satellite imagery and ground patrols to detect and respond to any spill-over of harmful activities. (iv) The project will implement community education and involvement programs to raise awareness about the importance of forest conservation and the negative impacts of activities like illegal logging and poaching. (v) Alternative livelihood options and economic incentives will be provided to local communities to reduce reliance on forest resources and discourage activities that lead to forest degradation. Project support will be provided to only livelihood activities that take place in areas outside established and potentially established PAs. Risk 5: Potential conflicts among project stakeholders due to involvement of various stakeholders (at landscape level) with divergent interests Mitigation Measures: (i) The project will prepare a Stakeholder Engagement Plan (SEP) to identify individuals and groups that are affected by, or interested in, project activities. A stakeholder analysis will be conducted to understand the dynamics of influence, impacts, and interested among various project affected groups vis-a-vis project activities. A strong emphasis will be placed on facilitating dialogue among stakeholders. This involves identifying, assessing and addressing the different development needs f various groups in a manner that aligns with national legislation and project's objectives. (ii)Grievance RedressMechanisms will be developed and implemented - as part of the Stakeholder Engagement Plan.The SEP will establish platforms for discussion and consensus building - based on FPIC principles. (iii) National and regency level stakeholders will be involved to assist in resolving issues that cannot be adequately addressed at the site

		level. Their broader perspective and authority will be instrumental in facilitating solutions. Risk 6: Gender inequality and gender mainstreaming. In Indonesia, the rate of women participation in the labor force is relatively low about 53% by 2021. This remains unchanged over the past two decades. The gap between men and women in labor participation is about 30% which is among the highest rate in the East and Asia Pacific region (WB website, 2024). Within IP groups, gender equality has not been well implemented due to key inherent issues such as division of inheritance, social norms (Rico Septian Noor et al 2024). Mitigation measures: A Gender Analysis will be conducted to prepare a Gender Action Plan. The GAP will identify the gaps for the project target groups and propose measures that could be implemented to promote the participation of women in planning and implementation of project activities, particularly activities that affect them adversely, or reduce the opportunities for them to take part in and benefit from project activities (e.g. access to support in alternative livelihoods, jobs created under the project, and other income generation activities).
Political and Governance	Moderate	Multiple government agencies tasked with biodiversity conservation face capacity and information limitations. Mitigation: The project will promote cross-sectoral coordination and collaborate with stakeholders to improve their governance structures for biodiversity management. This includes supporting inter-agency information sharing and upgrading data-driven methodologies
INNOVATION		
Institutional and Policy	Low	Indonesia has strong policy and institutional baseline for this project. Whilst some policy enhancement actions have been identified, other wider policy context expected to also continue to be supportive of this project.
Technological	Low	Technological innovations in the country and knowledge from around the world is expected to benefit the project.
Financial and Business Model	Moderate	This will be assessed during the PPG. This will be a relatively new issue for the government focal agencies - and the willingness of stakeholders to build on innovative finance and business models is considered moderate risk.
EXECUTION		
Capacity	Low	The government of Indonesia has strong capacities for project implementation. During the PPG, capacity assessment will be undertaken of proposed executing agencies and capacity enhancement activities will be jointly planned. During full proposal development environmental, economic, and social aspects of sustainability will be ensured
Fiduciary		To be determined through an independent assessment during PPG
Stakeholder	Moderate	Risk 1: The full involvement of women, particularly rural women, as well as other marginalized groups in project planning, implementation, and monitoring may be compromised due to dominant local leadership. Mitigation: This risk will be managed by applying a Gender Analysis and Mainstreaming Action Plan to promote gender equality at all levels. Additional strategies include: (i)

		Integrating gender and social inclusiveness in all project activities to safeguard the rights and benefits of women and vulnerable populations. (ii) Tailoring special investments to meet women's specific needs. (iii) Conducting capacity-building programs to enable active participation of women and vulnerable groups in corridor/cluster-level planning and decision-making. (iv) Appointing a Gender Consultant at the Project Management Unit, supported by MoEF and Provincial BKSDA technical staff, for effective gender action plan implementation. (v) Instituting a Monitoring Plan and Gender Actions. Risk 2: Oversight and due diligence are crucial to ensure that private sector involvement in eco-friendly activities complies with standards. Mitigation: The project will urge the private sector to adopt a long-term perspective for managing plantations and extractive industries. It will advocate for diverse financing models linked to sustainable core businesses like ecotourism and tree cropping. Existing best practice models will serve as a foundation to encourage private sector compliance and investment.
Other	Moderate	Risk 1: Policy-level initiatives in AIBDES outside PAs and biodiversity-positive management, especially within industrial plantations, forest concessions, and extractive sectors, may inadvertently affect marginalized communities. Mitigation: SESA and ESIA will assess potential policy impacts on smallholders and recommend safeguards, which will be incorporated into the ESMP for monitoring. Risk 2: Extended timelines for alternative livelihoods and forest resource restoration may discourage community engagement. Mitigation: Planning of AIBDES outside PAs will offer a range of options, incorporating short-term activities as interim solutions until long-term investments yield sustainable gains. This will broaden the resource and income base, and synergize with existing governmental, private, and NGO programs. Ecotourism options will also be explored to enhance local incentives.
Overall Risk Rating	Moderate	

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how. (max. 500 words, approximately 1 page)

The project adopts a comprehensive strategy designed to align with the GEF-8 focal areas, effectively facilitating synergistic GEBs. It adheres to multiple GEF policies such as the Environmental and Social Safeguards Policy, the Co-financing Policy, the Policy on Gender Equality, the Incremental Cost Principle,

the Policy on Indigenous Peoples, and the Policy on Stakeholder Engagement, ensuring comprehensive compliance and integration.

Alignment with GEF-8 Biodiversity Strategy:

- **Biodiversity (BD-1):** Enhances the management of landscapes outside PAs to conserve globally significant biodiversity, specifically focusing on strengthening ecosystem resilience and enhancing habitat connectivity.
- **Sustainable Finance (BD-3):** Innovates sustainable finance mechanisms under Component 4, developing robust financial models that ensure the sustainability of biodiversity conservation efforts.

Co-Benefits in Climate Change and Land Degradation:

- **Climate Change (CC):** Projects significant co-benefits in climate change mitigation, notably carbon sequestration through forest restoration and improved land management practices. These efforts align with Indonesia's Nationally Determined Contributions (NDCs) and support GEF-8 Climate Change Focal Area Objective 1.4, which promotes nature-based solutions with high mitigation potential.
- **Land Degradation (LD):** Contributes to achieving Land Degradation Neutrality (LDN) by restoring ecosystem functions and improving soil health through sustainable land management practices, thereby preventing land degradation.

Key Integration Points:

- The project addresses systemic challenges and vulnerabilities identified in the Global Biodiversity Framework (GBF) and GEF-8, integrating with ongoing GEF and non-GEF projects to form a cohesive conservation strategy.
- It is strategically designed to enhance alignment with international frameworks and initiatives, contributing to multiple targets of the Kunming-Montreal Global Biodiversity Framework, supporting sustainable management of forest concessions, and promoting fair and equitable sharing of genetic resources.

Detailed Alignment with the Kunming-Montreal Global Biodiversity Framework (KMGBF):

- **Target 1 (Land and Forest Conservation):** Implements integrated landscape management practices to conserve and restore high-value biodiversity areas outside PAs, ensuring the conservation of ecosystems that provide critical habitat for various species and ecological processes.
- **Target 2 (Species Conservation):** Enhances habitat connectivity and undertakes targeted restoration activities aimed at recovering populations of endangered and threatened species, directly improving their survival and proliferation rates.

- **Target 3 (PAs and OECMs):** Supports the designation and effective management of OECMs and strengthens the management of existing PAs by integrating them into wider land use planning and governance frameworks.
- **Targets 9 (Sustainable Agriculture) and 10 (Sustainable Forestry Management):** Promotes sustainable practices adjacent to biodiversity-rich areas and in forest management that conserve biodiversity, aligning with sustainable management of forest concessions.
- **Target 13 (Genetic diversity):** Activities include supporting the implementation of access and benefit-sharing (ABS) mechanisms under the Nagoya Protocol, thereby contributing to the conservation of genetic resources and traditional knowledge.
- **Target 19 (Financial resources for biodiversity):** Develops innovative financing mechanisms, such as Payment for Ecosystem Services (PES) and biodiversity offsets, to mobilize additional resources for biodiversity conservation and sustainable use.

Alignment with National Priorities and Other International Frameworks:

- Embedded within Indonesia's 2020-2045 Biodiversity Strategy and Action Plan (IBSAP) and aligns with the National Medium-term Development Plan (RPJMN) for 2025-2029.
- Supports global agreements such as the Nagoya Protocol and integrates with regional conservation efforts like the Heart of Borneo.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during PIF development as required per GEF policy, their relevant roles to project outcomes and plan to develop a Stakeholder Engagement Plan before CEO endorsement has been clearly articulated in the Project Description (Section B).

Yes

Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities: Yes

Civil Society Organizations: Yes

Private Sector: Yes

Provide a brief summary and list of names and dates of consultations

Engagement History:

- Throughout the project design and PIF development phases, stakeholder engagement has been a continuous process, coordinated by BPPE and FAO. Consultations at national and provincial levels have included a wide array of stakeholders, from government agencies to private sector entities, ensuring a comprehensive and inclusive approach to project planning and implementation.

By enhancing the clarity of roles and contributions of various stakeholders and reinforcing the mechanisms of engagement, the project ensures a broader and more effective collaboration towards achieving its biodiversity conservation objectives.

-

During these consultations, various models for effective multi-stakeholder approaches were discussed and evaluated. For example, the Collaborative Forum for Ungaran Mountain in Central Java has been identified as an exemplary model for stakeholder communication and resource allocation. These multi-stakeholder consultations serve not just as a method for participatory decision-making but also as a critical mechanism for effective project implementation and optimized resource allocation. Participants in these consultations included key representatives from government, academia, community groups, NGOs, and the private sector, substantiating the project's commitment to inclusivity and collaborative governance.

Consultations and dates	Participants
Consultation in Semarang, one of the project's sites (23 August 2023) carried out with offline mode	Government: MoEF Technical Unit at Central Java Province, Forestry and Environment Agency at Central Java Province and Perum Perhutani which is state-owned company based in Java Island only and focuses on forest products marketing FAO Community: Pokdarwis Gunung Sari whi (community group focused on tourism) Academia: University of Semarang NGO: PEKA Muria and SINTAS Indonesia Private Sector: Indonesia Power and Djarum Foundation
Consultation in Jakarta, national level (28 August 2023) carried out with hybrid mode (online and offline)	Central Government: MoEF including Secretary General of Natural Resource and Ecosystem Conservation, Directorate of Conservation Area Planning, Directorate of Conservation Biodiversity and Genetic Resources Provincial Government: MoEF provincial Technical Units (BKSDA) at South Sumatra and Central Java Provinces for its focus on biodiversity conservation, Forestry, or environment Agency for its responsibility in forest and environmental management and protection. Ministry of Agriculture and National Research National Innovation and Research Agency (BRIN) FAO Regional and Country Offices,

	academic institutions, community groups, NGOs, and private sector companies, some specific stakeholders in each landscape: Semarang State University, Pokdarwis Gunung Sari (a community group for tourism) and NGOs like PEKA Muria and SINTAS, and private sector like Perhutani, Indonesia Power and Djarum Foundation in Central Java; as well as private Companies with Pulp or Palm Oil Plantation Concessions in South Sumatra.
Consultation in Bogor, national level (September 2023) carried out with hybrid mode (online and offline)	Government: MoEF Technical Units at South Sumatra and Central Java Provinces FAO

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in the section B project description?

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Medium/Moderate			

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Project Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant($)	Agency Fee($)	Total GEF Financing ($)
FAO	GET	Indonesia	Biodiversity	BD STAR Allocation: BD-1	Grant	5,780,936.00	549,189.00	6,330,125.00
FAO	GET	Indonesia	Biodiversity	BD STAR Allocation: BD-3	Grant	1,325,000.00	125,875.00	1,450,875.00
Total GEF Resources ($)						**7,105,936.00**	**675,064.00**	**7,781,000.00**

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

true

PPG Amount ($)

200000

PPG Agency Fee ($)

19000

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	PPG($)	Agency Fee($)	Total PPG Funding($)
FAO	GET	Indonesia	Biodiversity	BD STAR Allocation: BD-1	Grant	162,707.00	15,457.00	178,164.00
FAO	GET	Indonesia	Biodiversity	BD STAR Allocation: BD-3	Grant	37,293.00	3,543.00	40,836.00
Total PPG Amount ($)						**200,000.00**	**19,000.00**	**219,000.00**

Please provide justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total($)
FAO	GET	Indonesia	Biodiversity	BD STAR Allocation	8,000,000.00
Total GEF Resources					**8,000,000.00**

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing($)	Co-financing($)
BD-1-1	GET	5,780,936.00	46000000
BD-3-1	GET	1,325,000.00	10000000
Total Project Cost		**7,105,936.00**	**56,000,000.00**

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
Recipient Country Government	MoEF Ecosystem Restoration in DG NREC (Technical Units & Management Office)	In-kind	Recurrent expenditures	7593220
Recipient Country Government	Biodiversity Inventory & Monitoring DG NREC (Technical Units & Management Office)	In-kind	Recurrent expenditures	24677966
Recipient Country Government	Other ecosystem restoration & biodiversity conservation activities financing from Private entities in Conservation Forest (MoU)	In-kind	Recurrent expenditures	7118644
Recipient Country Government	Other Ministries (MoAgr, BRIN, Dana Desa)	In-kind	Recurrent expenditures	16610170
Total Co-financing				**56,000,000.00**

Describe how any "Investment Mobilized" was identified

Not applicable

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	Jeffrey Griffin				Jeffrey.griffin@fao.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name	Position	Ministry	Date (MM/DD/YYYY)
Laksmi Dhewanthi	GEF OFP	Ministry of Environment and Forestry Republic of Indonesia	3/20/2024

ANNEX C: PROJECT LOCATION

Please provide geo-referenced information and map where the project interventions will take place

Targeted Landscape	**Central Java**			**South Sumatra**
	Ungaran	**Muria**	**Petung Kriyono**	**Sugihan-Simpang Heran**
Geo-references	West 110.293488 East 110.389596 North -7.135571 South -7.210033	West 110.797461 East 110.953388 North -6.550154 South -6.681713	West 109.689521 East 109.796988 North -7.043316 South -7.201982	West 104.977450 East 106.038729 North -2.446543 South -3.664084

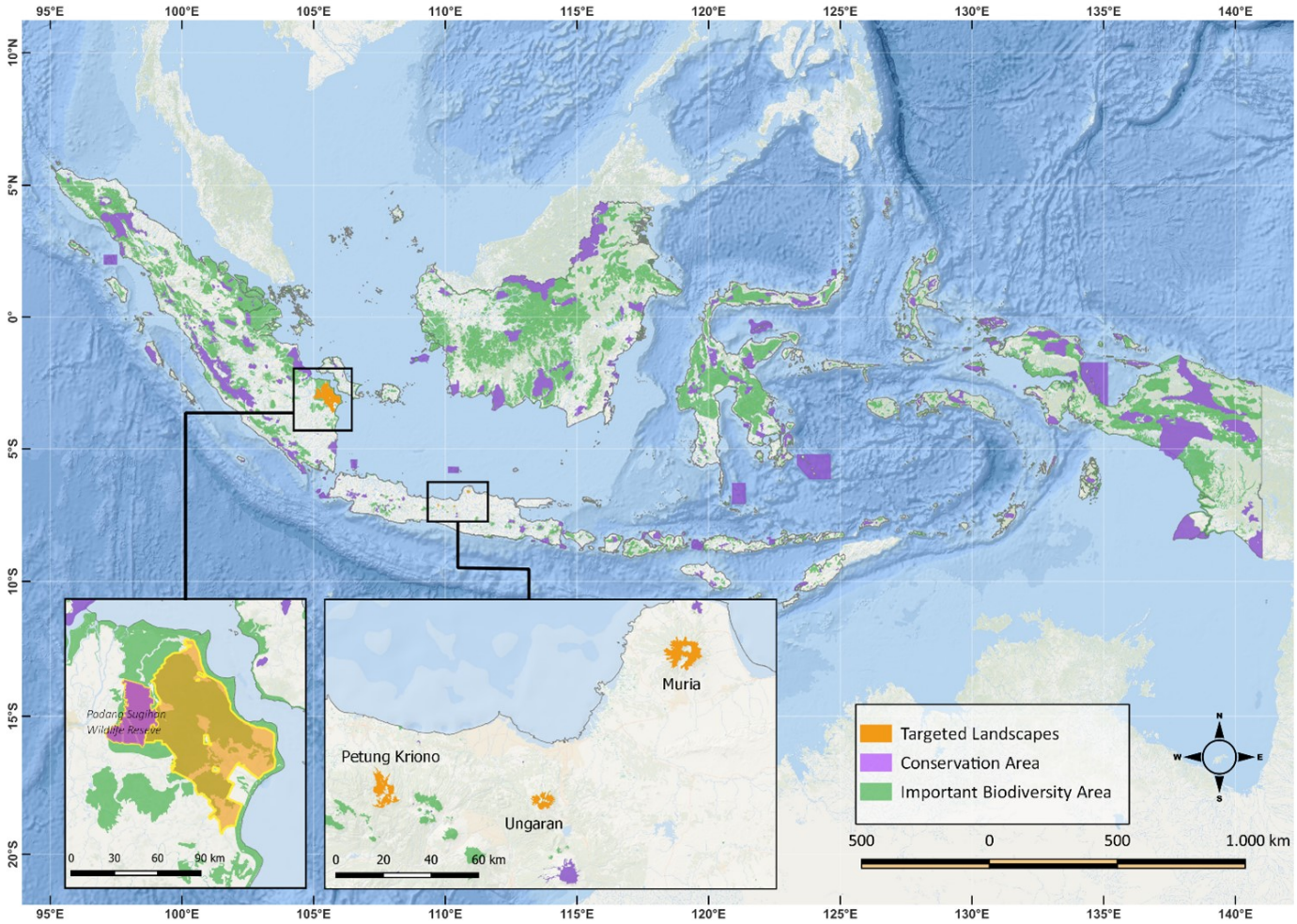


Figure 2 Map of Proposed Targeted Landscapes in South Sumatera and Central Java

ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

Title
ESS Screening_GEF8 Indonesia_CLEAN

ANNEX E: RIO MARKERS

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Significant Objective 1	Significant Objective 1	Principal Objective 2	Significant Objective 1

ANNEX F: TAXONOMY WORKSHEET

Level 1	Level 2	Level 3	Level 4

Influencing Models	Transform policy and regulatory environments Strengthen institutional capacity and decision-making Convene multi-stakeholder alliances Demonstrate innovative approaches Deploy innovative financial instruments		
Stakeholders	Beneficiaries Private sector Local communities Civil society Type of Engagement Communications	Capital providers Financial intermediaries and market facilitators Large corporations SMEs Individuals/Entrepreneurs Community Based Organization Non-Governmental Organization Academia Information Dissemination Partnership Consultation Participation Awareness Raising Education Public Campaigns Behavior Change	
Capacity, Knowledge, and Research	Enabling Activities Capacity Development Knowledge Generation and Exchange Targeted Research Learning Stakeholder Innovation		

	Knowledge and Learning Engagement Plan	Theory of Change Adaptive Management Indicators to Measure Change Knowledge Management Innovation Capacity Development Learning	
Gender Equality	Gender mainstreaming Gender results areas	Beneficiaries Women groups Sex-disaggregated indicators Gender-sensitive indicators Access and control over natural resources Participation and leadership Access to benefits and services Capacity development Awareness raising Knowledge generation	

Focal Area/Theme	Integrated Programs	Commodity Supply Chains	Sustainable Commodities Productions
			High Conservation Value
			Forests
	Capacity, knowledge, and research		Smallholder Farmers
	Biodiversity	Food Systems, Land Use and Restoration	Adaptive Management
	Forests		Landscape Restoration
	Land degradation		Sustainable Commodity Production Comprehensive Land Use Planning
	Integrated programs		Integrated Landscapes
			Smallholder Farmers
			Productive Landscapes
	Biodiversity	Forest and Landscape Restoration	Forestry (Including HCVA and REDD+)
	Forests	Forest	Tourism
	Land Degradation	Protected Areas and Landscapes	Agriculture & agrobiodiversity
	Climate Change		Certification (International Standards)
		Forest and Landscape Restoration	REDD/REDD+
		Forest	Sustainable Livelihoods
			Income Generating
		Climate Change Mitigation	Activities
			Agriculture, Forestry, and other Land Use
			Financing