

# 2006 ANNUAL REPORT SUMMARY

## ACEH FOREST AND ENVIRONMENT PROJECT

**Prepared by:**  
**Fauna and Flora International**



**Prepared for:**  
**World Bank & Multi-donor Fund**



**Banda Aceh**  
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## **AFEP Summary Report for 2006 and Plans for 2007 Fauna and Flora International – Aceh Program**

### **1. INTRODUCTION**

May of 2006 saw the effective start of Indonesia's most ambitious environmental project aimed at conserving Aceh's critical environmental services and natural resources. This document highlights the early achievements made, evaluates key activities, briefly outlines financial expenses versus those predicted, discusses the vision forward, including the major strategies to be employed, and presents a draft work plan for 2007 and suggests revised indicators to measure program effectiveness.

For the province of Aceh generally, and for the FFI Aceh Program specifically, 2006 was a year of transition, ending a focus on providing relief and recovery efforts post-tsunami and beginning a more long-term approach toward building enduring local institutions. At the start of 2006, FFI Aceh was implementing 13 projects, most of which had restoring livelihoods post-tsunami as a major objective. Some of these projects ended with the 2006 calendar year while most others conclude this year. Only funding from British American Tobacco (BAT) is more long-term and is designed to dovetail well with AFEP to support low-impact agricultural training, community planning, and revolving loan funds for micro-enterprise development.

Our conservation vision has been that the forests of the Ulu Masen Ecosystem should be managed by and for the Acehenese through the establishment of a local and highly credible institution grounded in the principles of transparency and accountability. Additionally, our vision allows for sustainable forest management in appropriate areas inside the boundaries of the Ulu Masen, but ideally through a collaborative management approach where forest edge communities are granted voice and benefits in the management. We originally thought that there might be two institutions managing conservation forests in Aceh, one for the Leuser Ecosystem and the second for Ulu Masen. With the preceding idea in mind, FFI decided to construct an office in Banda Aceh that would eventually be used by the Ulu Masen Management Authority (Badan Pengelola). We later discovered that provincial government had already started to create a Badan Pengelola for the Leuser Ecosystem in response to this area being specifically mentioned in the autonomy legislation for Aceh. In November, 2006, the Governor issued a decree establishing the Badan.

FFI has focused most of our efforts on Aceh Jaya District since it contains the majority of the remaining lowland forests and the most extensive elephant and tiger habitats. In the latter part of 2006, we began to expand our activities into Pidie and Aceh Besar Districts through jointly organized training events with GTZ, and by facilitating the formation of Mukim associations.

### **2. ACHIEVEMENTS FOR 2006**

One achievement for 2006 has been the development of a shared vision for the Ulu Masen among FFI staff, and the evolution and crystallization of our strategies to accomplish our objectives. In July, FFI carried out a Strategic Planning Retreat for all

staff where the initial shared vision was developed and then on three separate occasions, senior FFI staff came together (once with LIF senior staff) to develop and refine the major strategies, which are:

1. Strengthen or build local institutions at multiple levels that will become effective partners in forest conservation.
2. Incorporate conservation aspects into district and provincial spatial plans
3. Increase the awareness of the environmental services and benefits from the Ulu Masen
4. Promote collaborative management approaches for the Ulu Masen
5. Increase knowledge of both watershed management and conservation biology principles in NRM decision making processes.

### **2.1 Building enduring local institutions**

Based on more than four years of experience in Aceh, one major strategy interwoven throughout much of the program is strengthening or building enduring institutions, focusing first on the Mukim (traditional) leaders. The Mukim governance system has been utilized in Aceh for hundreds of years, and each Mukim nominally manages an area covering three to eight villages. During the GAM/TNI conflict, the Mukims lost power, but Aceh's autonomy legislation has now formally recognized this system.

Working directly at the village level doesn't allow for a landscape scale approach while most sub-districts are too large to ensure active participation by community leaders. Thus, FFI's basic political and spatial unit is the Kemukiman (administrative area of the Mukim), and in 2007 we will form an inter-disciplinary team to create sustainable development and conservation plans for strategic Kemukimans (those close to critical habitats). Much of the information related to kemukiman development has already been gathered for the participatory aspects of the district spatial planning process. These integrated Kemukiman plans will be facilitated by the Serikat Mukim, a legally recognized association of all 21 Mukims in Aceh Jaya. FFI was instrumental in facilitating the formation of the Serikat Mukim and will be providing training and funding to strengthen it in 2007. The Serikat Mukim has submitted a proposal to FFI requesting funding to create regulations governing forest use and conservation.

### **2.2 Aceh Jaya District Spatial Plan**

The drafting of new district spatial plans was mandated following the tsunami and BRR appointed consultants to draw up the plans in each district except in Aceh Jaya where the responsibility was granted to FFI. We took a radically different approach with the idea that the spatial plan needs to embed the aspirations of local communities and in so doing will reduce conflict over natural resources, increase the likelihood of efficient implementation and provide for a process of participatory monitoring. Over the course of seven months and in cooperation with the Serikat Mukim, FFI conducted a participatory process involving all 21 Mukims and other community leaders. Simplified spatial plans at each Kemukiman then merged together into a Kecamatan level plan. Workshops in each Kecamatan involving industry and government officials were organized to gain their input. In late December, FFI

submitted the draft plan to BRR for comment. This February, a public hearing at the district level will be held followed by a hearing in the district legislature.

Of special note is that during the participatory process the borders of the Ulu Masen Ecosystem were accepted by all the Mukim with internal zones for multiple use and protection.

### **2.3 RARE Pride Campaign in Aceh Jaya**

The organization RARE has developed social marketing techniques widely recognized as effective to convey conservation messages. In 2005, a senior FFI staff participated in an advanced RARE course in Kent, UK and in mid-2006 began implementing an environmental campaign focused on raising the awareness of the environmental services flowing from the Ulu Masen. As an early kick off for the campaign, FFI organized a music festival and expo for Earth Day in which 6,000 people attended. While the festival was supported with non-AFEP funds, the activity was in line with AFEP's objectives.

Additionally, more than 100 teachers in Aceh Jaya received training and materials about practical methods to teach environmental education with specific information about the Ulu Masen Ecosystem.

This year, we will expand our scope to two more districts and begin to apply the latter two strategies mentioned above. Additionally, with non-AFEP funds FFI began the construction phase of a model village to illustrate both participatory practices and environmentally friendly materials in reconstruction. The village is scheduled to be completed in late April and will provide an excellent medium to help meet AFEP's second goal of integrating environmental aspects into the reconstruction process.

## **3. CONSTRAINTS**

### **3.1 Staffing**

In April 2006, FFI employed 26 staff (not including support staff) and when AFEP became effective, a concerted effort to increase the staff total to 53 began. However, finding qualified Acehenese staff has been exceptionally difficult and while there are Javanese applicants, many don't want to move to Aceh. Thus, the process has been slower than anticipated, nevertheless, the current total stands at 40 staff, and we estimate that by end of February most of the outstanding positions will be filled.

### **3.2 Community Forest Monitors**

The project appraisal document (PAD) lays out a plan to recruit and train Community Forest Monitors (CFM) in the first year. Senior FFI management decided to change the approach for the CFM initiative. Instead of FFI hiring these CFMs, the Serikat Mukim will hire them through a grant provided by FFI. We believe this approach to be more sustainable in the long-term and should avoid the perception that the Ulu Masen is FFI's forest, and they're being paid to help monitor it. Before monitoring can take place, a conservation status or forest use regulations should be established since most of the area closest to the communities is designated as production forest. As earlier mentioned, the Serikat Mukim has submitted a funding proposal to FFI

with the objective to create forest use regulations. We estimate that by late 2007, CFMs could be employed and training started.

### **3.3 Support to enhance the effectiveness of law enforcement**

FFI has been working closely with BKSDA, Dinas Kehutanan, and the police to provide them with information on illegal logging. In various cases, this has led to the closure of sawmills and arrest of middlemen involved in financing this illicit activity.

Yet, FFI hasn't yet carried out activities that substantially raise the level of effectiveness of these law enforcement agencies. This is now addressed in the 2007 work plan whereby FFI will provide substantial support to BKSDA to train their staff in monitoring timber flowing on the main roads in Aceh. We have requested from PHKA one highly trained staff (trained by FFI's anti-tiger poaching project in KSNP) to be seconded to FFI and he'll lead this initiative to create a mobile timber monitoring team with KSDA staff.

### **3.4 Procurement**

Procurement of much of the equipment has gone slower than expected and is partially due to some uncertainty over World Bank guidelines and procedures. FFI has requested on three separate occasions training related to procurement and financial guidelines, but has yet to receive a date from the World Bank.

### **3.5 Project objectives and work plan headings**

After thoroughly reviewing the 2006 work plan and the included objectives, senior FFI management are proposing to revise the headings to better integrate with the Aceh Program. All objectives and sub-objectives remain in the work plan for 2007, some have been more emphasized than before and in one or two cases sub-objectives that were in Component 1 (Goal 1) have been moved to Goal 2 (see 2007 work plan in appendix).

## **4. FINANCIAL ASPECTS**

2006 expenses for AFEP total approximately \$340,000 or 24% of the amount estimated in the original budget (\$1,335,000). This is partly attributed to the project only beginning to spend money in June and having to postpone the civil works projects (office, environmental education center, and hangars) until 2007. Furthermore, FFI had received earlier funding from other donors for conducting similar activities. Thus, there is not a direct correlation with the low percent expended and the percent of activities completed. The following section provides a summary of the activities implemented in 2006.