

Bi-Weekly Report
REDD+ Local Consultant for Rainforest Foundation Norway
March 2016

Anggalia Putri Permatasari

A. Activities

Activities conducted in the period of March 1-31 are set out in the table below.

No.	Activity	Output	Follow-Up
1	Reading and analysing Lol Transition Phase document and the indicative budget	Summary in bullet-points for RFN partners Indicative budget in excel format + analysis on priority activities and provinces based on the amount of allocated budget	Informed to RFN partners, commented by YMP and HuMa
2	Compiling and reading REDD-related news in the last one year	News database covering various REDD+-related issues	Shared in onedrive
3	Meeting with BRG on Revision of PP 71/2014 on Protection and Management of Peatland (PP Gambut)	Matrix of inputs from civil society	The inputs will be submitted by BRG to the Ministry of Law and Human Rights
4	Meeting with Menik and informal meeting with HuMa (Sisil and Bawor)	Signed contract, preliminary understanding of HuMa's advocacy focus	

Note: Relevant documents are shared on onedrives

B. Developments on REDD+ Implementation

a. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

- **Legal basis.**

Currently, the legal basis for REDD+ implementation in Indonesia is Presidential Regulation No. 16 Year 2015 on Ministry of Environment and Forestry (PP 16/2015). This Regulation states that all tasks and functions of GHG emissions reduction previously implemented by the REDD+ Agency (BP REDD+) are now carried out by the Ministry of Environment and Forestry (KLHK) under the

Directorate of Climate Change Control (Ditjen PPI)¹. One of the advantages of the integration of BP REDD+ to KLHK is a stronger sense of coherence regarding REDD+ implementation. REDD+ implementation will be carried out by **REDD+ Sub-directorate** comprising of two sections: REDD+ Governance and REDD+ Monitoring and Evaluation. The Head of REDD+ Sub-Directorate is Novia Widyaningtyas (previously in Pusat Standardisasi Lingkungan, Ministry of Forestry). However, one of the downsides of the integration is that REDD+ is now back in the hands of 'business as usual' bureaucrats, unlike in the era of BP REDD+ where key influential people played the role as 'movers and shakers' regarding critical programs such as recognition of the rights of indigenous peoples and tenurial conflict resolution. At the top political level, the condition is favorable due to Jokowi's commitment to tenurial conflict resolution as 'building from the periphery' mission in Nawacita. However, CSOs must continue pushing for the issue to prevent it from being toned down by the bureaucracy. We must think of how to get access to the inside workings of the relevant Directorate Generals in KLHK, maybe in the form of a hub or specific individuals assigned to communicate regularly with key people in KLHK.²

- **Status of Stranas.** It is mentioned in LoI Transition Phase document that Ditjen PPI will implement policies and measures set out in REDD+ National Strategy (Stranas) as well as REDD+ Regional Strategies (Strada and SRAPs). According to the Transition Phase document, there are 4 priority programs: 1) prevention of forest fires, 2) reducing pressures from agriculture, pulp and paper industry, and other extractive industries (addressing drivers), 3) protecting and enhancing carbon stock (conservation, ecosystem restoration), 4) transition towards green economy. The question of tenurial conflict, however, does not seem to be a priority although it is widely acknowledged as one of the most important REDD+ prerequisites. This is concerning because initiatives of tenurial conflict resolution are now scattered between KLHK³ and Ministry of Agraria and Spatial Planning/National Land Agency.
- **Funding Instrument.** How REDD+ will be translated into programs, projects, and activities on the ground, especially to access funding under the LoI, is still unclear. BP REDD+ has developed a concept note regarding funding instrument for REDD+ (FREDDI) in May 2013, which takes the form of a Trust Fund based on existing regulations.⁴ However, in the Transition Phase document, it is said that there are still 3 options regarding funding instrument form/modality: 1) Public Service Agency (Badan Layanan Umum/BLU), 2) Trust Fund, 3) ICCTF. The current process to choose the form of the funding instrument is still unknown. According to Sisil from HuMa, there has been a vacuum regarding REDD+ institutional preparation since BP REDD+ was dissolved in January 2015. Regardless of the modality, it is a quite safe assumption is that it will follow the business/investment model previously developed by BP REDD+, which can be found here: <http://www.reddplus.go.id/pustaka/dokumen/kelembagaan-dan-sistem/instrumen-pendanaan>. One thing that can be done is contacting Novia Widyaningsih directly to ask about the next process regarding REDD+ funding instrument and LoI Transition Phase implementation as a whole. RFN partners at the national level can be asked to lead on this process. It is important to study the

¹ Ditjen PPI is responsible for formulating, implementing, synchronizing, and evaluating policies on mitigation, including REDD+. It is also responsible for GHG inventory and MRV.

² In the BP REDD+ era, the method used was ask for a regular meeting with BP REDD+ to talk about CSOs concerns regarding specific issues such as safeguards, forest fire, etc. BP REDD+ was very open to meetings with CSOs. A similar method can be developed with relevant Dirjen(s) and 'Dewan Pengarah' of KLHK in which RFN partners can facilitate the Coalition of Forest and Climate. Alternatively, one of RFN partners at the national level can try to set up a regular communication channel with KLHK. In whichever option, important steps include getting together and identify key issues, institutions, and key individuals in the government to contact and then organize a meeting or an event with them to get things going. I will raise this issue with the Coalition and have a discussion with them or one of RFN partners at the national level (probably HuMA) regarding this.

³ Directorate General on Planology and Directorate General on Social Forestry have a program regarding customary forest, but the implementation is stuck because many customary forests are located inside conservation area and because there seems to be very little political will to grant customary forest title.

⁴ Mainly Government Regulation No. 80/2011 regarding Trust Fund.

document and the three modalities since it might be the basis of the future REDD+ funding instrument. I plan to do this in April and try to contact Bu Novia to ask about this process.

- **Forest Reference Emission Level (FREL).** Indonesia has submitted its FREL to the UNFCCC in September 2015 that can be obtained here: http://www.greenpeace.org/international/Global/seasia/Indonesia/pdf/FREL_Report.pdf. The document is important to study because it sets out definition of forests, deforestation, forest degradation etc. as well as baselines for emission reduction. It is criticized among others by Greenpeace for miscalculations, data omissions, data inaccuracy and for leaving out emissions from peat fires, which is very significant in the case of Indonesia. I will study and make the summary of the document in April.
 - **National Forest Monitoring System.** Indonesia's NFMS was launched in October 2012 under the name of 'Simontana.' Forest monitoring in Indonesia is currently conducted once a year. It is under the auspices of Directorate General of Planology in KLHK, supported by Badan Informasi Geospasial and Lapan. Simontana consists of data regarding forest cover and forest and land fire. It will be added with data regarding carbon stock and ecosystem potential. In the future, it is aimed that it will be integrated with One Map, mining and plantation concessions. The system can be accessed here: <http://nfms.dephut.go.id/ipsdh/>. Unlike portal pengaduan KLHK, the website can be accessed and I believe it is important to make sure RFN partners at the local level are informed about this system and to see if they can use it or have inputs or data to improve it.
 - **MRV System.** The development of MRV institution is still under process. UNDP-REDD suggested setting up a Task Force to Accelerate the Establishment of MRV Institution. As far as I know, no RFN partner is engaged in MRV institution establishment, probably due to the carbon-oriented technical nature that is far from their focus advocacy issues. Sisil from HuMa, however, stresses the importance of community monitoring in MRV system and that it be made as simple as possible for the communities. Although MRV system is the heart of performance-based payment in REDD+ scheme, too much focus on carbon technicalities risks taking the much needed focus away from the issue of community rights.
- b. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office*
- **Land Bill (RUU Pertanahan).** This Bill is currently one of the 40 national legislation priorities. It is set out to regulate on the relationship between the state, customary law communities, and individuals with land, rights to land, agrarian reform, land registration, land acquisition for public interest, conflict resolution, and land use and control. It is currently under discussion of DPR Work Committee (Panja) . The Bill is aimed to be aligned with the Basic Agrarian Law and TAP MPR IX/2001 on Agrarian and Natural Resources Reform, which was pushed by civil society in the beginning of the reformation era but had since then stalled in terms of implementation. The most recent Bill that can be found online is dated June 2012. The leading NGO in this process seems to be the Consortium for Agrarian Reform (KPA). It is relevant to REDD+, especially with regards to drivers because among others it can set limit on land controlled by business and corporations, including HGU (Land Use Title) that is the basis of plantations control of land. I am currently in the process to familiarize myself with this process.
 - **Presidential Regulation No. 9/2016 on the Acceleration of One Map Policy with Scale 1: 50.000.** This policy aims to make available one thematic geospatial information map with accuracy scale of 1: 50.000 covering the following information: Peat Land Hidrology Unit, Disaster Prone Areas, National Sea Characteristics, National Mangrove, National Land Cover, and National Under Sea Sediment. One ongoing concern about one map policy is the status of integration of customary

forest map compiled by BRWA (Badan Registrasi Wilayah Adat) to the one map. Until now, the process seems to be 'taken hostage' by the uncertainty of establishment of indigenous people task force promised to be established since a year ago. One map policy must be pushed to run in parallel with tenurial conflict resolution.

- **Revision of Forestry Law No. 41/99.** After the issuance of Constitutional Court No. 35 and 45, revision of Forestry Law is in order, among others to exclude customary forest from state forest area. Although this revision is included in the 5 year prolegnas (National Legislation Program), it is not included as priority national legislation in 2016. However, it is still important because the revision has been pushed by civil society for years and now gained momentum of MK decisions. As stated in DPR website, the revision aims to recognize the rights and involvement of local communities in forest management. There is an information that DPR has begun an initiative to discuss the revision by inviting the National Forestry Council (DKN). I have asked HuMa about this and am still waiting for their reply.
 - **Revision of Conservation Law No. 5/90.** This revision is also important because many if not most areas proposed as customary forest is located in conservation area, making it very difficult and complicated to be processed and approved. There is also an information that KLHK has re-initiated rounds of discussion regarding this involving DKN.
 - **Review of all Provincial Spatial Planning Regional Regulations (Perda RTRWP) by Ministry of Agraria to adjust it to RPJMN 2015-2019.** The target of completion is December 2015, but there is no news about it yet.
- c. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut*

- **Progress of BRG**

Revision of PP 71/2014 (Government Regulation on Protection and Management of Peat Land)

Revision of PP Gambut was initiated during the outbreak of forest fire in 2015 when the President ordered to review laws and regulations that could open door to peat fire. Currently, the most recent draft (January 2015) has been sent to the Ministry of Law and Human Rights to be harmonized. BRG (led by Mbak Myrna) is currently trying to find a way to put through BRG's and civil society's inputs to the Ministry (through KLHK/by setting a meeting with Kemenhukham). If it fails, she asked CSOs to submit the inputs themselves or raise them publicly. Several important issues raised in the meeting are among others:

- Inclusion of social and cultural aspects in the development of the Final Map of Peatland Hydrology Unit (KHG), including the existence of villages and customary law communities in peatland areas, forms of control and management of peatland by communities, and conflict of control and utilization of peatland. This issue had been raised before when the PP was first being formulated, but it has not found its way to the draft revision. It is critical because if overlooked, the process of peatland protection and utilization as set out in this PP could bring harm to communities that live in and manage peatland areas.
- Many good provisions in the December 9 2015 version were lost in the January 15 version (GP suggested to revert back to the older version, but it is unlikely since the draft is already in the hands of Kemenhukham).

- BRG has already published an Indicative Map of KHG and is now conducting field survey to inventorize KHG characteristics. It must be remembered that they work in priority provinces and first in priority districts: Pulang Pisau (Kalteng), Kubu Raya (Kalbar), Kepulauan Meranti (Riau), Ogan Komering Ilir and Musi Banyuasin (Sumsel), and Merauke (Papua). After the survey, the Indicative Map will be changed into Final Map and then the process of determining the function (protected or cultivation function) will ensue. Before the zoning is conducted, restoration cannot be initiated (said BRG), except for peatland fire in the concession of HTI, HA, and RE that will be taken over by the state to be replanned, rezoned, and restored. What about peatland fire in the plantation sector?
 - The lengthy process of making the Final Map of KHG (2 years) and the zoning/determination of protected and cultivation function (2 years)---deemed too long. In the four years, much peatland may be gone. BRG raised the issue of resources to make the map. For one KHG, they have to check around 3000 spots and that takes a lot of resources. **Phase 2 of Lol fund can be channeled to expedite the process by highlighting the community-specific issues.** In line with this, Presidential Instruction No. 11 Year 2015 regarding Forest Fire Control instructed the Minister of Agraria and Spatial Planning to conduct an identification of control and utilization of peatland by communities in accordance with spatial planning.
 - Should the cost of restoration/rehabilitation be borne entirely by the government or can it be transferred to concession-holders? The estimate of fund needed is IDR 40 trillions.
 - Regarding license review on peatland, the authority is in KLHK, not in BRG. According to PP 71/2014 (PP Gambut), evaluation and audit of licenses on peatland can only be done after the designation of peatland function (which will take a long time from now, approx 4 years), except in the areals of HTI, HA, and RE in which burning peatland will be taken over, rezoned, and reviewed by the state.
 - There are efforts to weaken BRG/obstruct its work. **Adequate funding is a central enabler in BRG's works.** In the indicative budget of Lol Transition Phase, budget for forest and land fire reaches \$6,2 million. I assume that some of this will go to BRG's work.
- **Legal audit of licenses**
 - In the context of Lol Transition Phase, the legal audit of licenses meant is compliance audit of companies and regional government regarding forest fire prevention and control (not a comprehensive legal audit regarding the legality of the license issuance process and its compliance to all upstream and downstream regulations as pushed by CSOs).
 - PP Gambut 57/2016. In the new PP Gambut, it is mentioned that one of the measures to prevent peat ecosystem damage is implementation of evaluation and audit of license of peatland utilization.⁵
 - **Identification of degraded land**
 - Lol Transition Phase document mentions land swap as one of 4 priority programs in Fase 2. However, information regarding who is responsible for this process in the government (KLHK) and the progress must be confirmed later.
 - **Legal action against forest crimes**

⁵ Article 22 A para (2) letter c of Government Regulation No. 57/2016 on Amendment of Government Regulation No. 71/2014 on Peat Ecosystem Protection and Management.

- The government (KLHK) lost to PT Bumi Mekar Hijau in the case of forest and land burning/fire with the size of 20,000 ha in Ogan Komering Ilir district (in Palembang State Court).
 - KLHK won over PT Jatim Jaya Perkasa (JJP) for the burning of forest and land with the size of 1,000 ha in Rokan Hilir, Riau Island. The company was sentenced with 2.5 year of prison time and fine of IDR 1 billion.
 - Law No. 18/2013 regarding Prevention and Control of Forest Crime is still used to criminalize communities instead of corporations/organized crime entities. The case of Asyani (63 yo) charged with stealing wood in Perhutani concession is a most recent example. Coalition of Anti-Forest Mafia recorded that since its ratification in 2013, it has taken a toll of 23 victims of indigenous people and local communities that depend their livelihood on forest. At this moment, the Coalition (including AMAN and HuMa) is still waiting for the Constitutional Court to rule on their judicial review attempt.
- **Land tenure conflicts**
 - Conflict resolution under the Lol Transition Phase is very limited and only in the form of pilot activities in two National Parks: Tesso Nilo in Riau and Bukit Dua Belas in Jambi. The latest update on the two initiatives cannot be found online.
 - Since March 2015, however, KLHK has a Secretary for Handling Complaints regarding Forestry and Environmental Cases that will take complaints regarding land tenure conflicts in forest area and human rights violation against indigenous people. HuMa and AMAN are among others involved in this process. The online portal is <http://pengaduan.menlhk.go.id> (but it cannot be opened), and complaints can be directed via email to pengaduan@menlhk.go.id, and phone to 0811932932. **We must push the Secretary to publish regular public report regarding the complaints and the handling process.**
 - Another hook for land tenure conflict resolution is the implementation of Peraturan Bersama 4 Kementerian (Forestry, Home Affairs, Public Affairs, National Land Agency) regarding the resolution of land control and utilization inside forest area. After the merging of Ministry of Forestry and MoE, the implementation is unclear though.
 - Lol support to land tenure conflict resolution initiatives under the Ministry of Agraria is unclear because those conflicts are located outside forest area (communities vs plantations). Ideally, there is an institution in the government that handles and resolves complaints regarding land tenure conflicts from all sectors.;
 - Still no legal basis for nation-wide cross-sectoral conflict resolution initiatives.
- d. Network with a wider set of stakeholders on REDD+ in Indonesia and gain access to documentation and meeting places where relevant information on REDD+ is shared**
- Still in the process of making networks. Current networks include BRG and Coaliton of Forest and Climate. Priority network to establish is with Ditjen PPI.
- e. General developments of sectors related to drivers of deforestation, such as the palm oil sector**
- Starting in April 2016, the program of National Movement to Save Natural Resources (GNPSDA) will target palm oil sector. The effort aims to resolve license overlaps between plantation and other sectors and end corruption, also to facilitate conflict resolution. It will be implemented first in 12 provinces with large plantation estates. It will be led by KPK.

- The Ministry of Agriculture asked IPOP to delay the implementation of its members' commitment regarding zero-deforestation supply chain and planting on peatland because smallholders can no longer sell their FFBs to the five palm oil companies.
- Association of Palm Oil Farmers of Indonesia asked the Ministry of Agriculture to ban the implementation of IPOP because it is deemed detrimental to smallholders and small companies and depresses palm oil price. In the news, it is also said that currently the Ministry is designing a legal umbrella to justify the ban.

f. the coverage of REDD+ in selected Indonesian media and assess if these are effective and accurate channels for distributing information on the development of REDD+ in Indonesia

- REDD+-related news in the last one year (from KOMPAS) were dominated by the following issues: moratorium, forest fire, Paris Agreement, indigenous people rights/customary forest, and institutional setting (the merging of BP REDD+ and DNPI to KLHK and the establishment of BRG). There is no news regarding REDD+ 'building blocks' such as MRV system or funding instrument, probably because there was a vacuum of activity in the government itself regarding those issues. Since BP REDD+ was dissolved, the issues such as indigenous people Task Force, forest fire, peatland restoration etc. are more delinked from the term 'REDD+'. Moratorium and one map however, are still closely associated with the Lol. Due to the forest fire, most news coverage focus on peatland areas. This leaves out provinces that have little or no peatland such as Central Sulawesi and their concerns, for example YMP's concerns regarding KPH development.
- Compilation of news related to REDD+ can be found in onenote news database (media following file) shared on onedrive.

C. Tentative Plan for April 2016

- Study and make a summary/highlight points of Indonesian FREL document
- Study funding instrument concept note and assess the three possible modalities for REDD+ funding instrument (ICCTF, trust fund, or BLU)
- Contact Bu Novia from REDD+ Subdirector of Ditjen PPI to ask about the process of Lol Transition Phase and establishment of funding instrument
- Discuss with the Coalition and RFN partners regarding the way forward for REDD+-related issues, including setting up regular communication channel with key government institutions, in this case relevant dirjen(s) and Dewan Pengarah in KLHK
- Attending relevant CSOs meetings/events and other stakeholders' events (exact schedule will be informed before the events).

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

April I 2016

Anggalia Putri Permatasari

In this report:

- List of activities
- Development on FREL
- Development on INDC
- Development on IPOP controversy
- Palm oil and mining moratorium plan
- Annex I and II: summary and critical notes of FREL and INDC

A. Activities

Activities in the period of April 1-14:

No.	Activity	Output	Follow-Up
1	Making a summary of Indonesian Forest Reference Emission Level Document (FERL) and Indonesian Nationally Determined Contribution (INDC)	Summary (see report)	
2	Making contact with Ditjen PPI regarding status of REDD+ funding instrument	Contact established Information regarding Indonesian REDD+ Day event	Attending Indonesian REDD+ Day (April 29)
3	Coalition of Forest and Climate Meeting to plan for advocacy on PP Gambut Revision (April 11)	Action plans	Press conference (planned on April 26)
4	Attending INDC Workshop held by Bappenas (April 11)	Summary (see report)	Follow the process of INDC achievement monitoring by Bappenas and of formulation of NDC document by KLHK
5	Drafting Coalition's Demands on PP Gambut Revision	1 st draft of Coalition's paper	Sign-on by Coalition members and press conference
6	Updating knowledge on relevant regulations (new regional government law,	Notes and charts	

	licensing regulations related to palm oil)		
7	Collecting news and informations on the recent IPOP controversy and palm oil moratorium plan	See report	

B. Developments on REDD+ Implementation

g. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

- **Funding Instrument.** Progress on funding instrument and safeguards will be shared in the upcoming **Indonesian REDD+ Day** event on April 29. Henky Satrio from AMAN is scheduled to have a meeting with Haryo from Ditjen PPI to discuss safeguards this week. I will follow up with Henky regarding the result of the discussion.

h. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

- **FREL.** FREL document is a technical (not a policy) paper, but it contains important data referenced by the government relevant to REDD+ implementation. Important data include:

No.	Data	Figure
1.	Baseline emissions	
	- Average annual emissions from deforestation	293 MtCO _{2e} yr-1
	- Average annual emissions from degradation	58 MtCO _{2e} yr-1
	- Average annual emissions from peat land decomposition over time (not from peat burning and fire)	226.1 MtCO _{2e} yr-1 in 2011-2012
	- Forest reference emission level from deforestation and degradation	0.351 GtCO _{2e} yr-1
	- Forest reference emission level peat decomposition	0.217 GtCO _{2e}
2.	Forest data	
	- Annual rate of deforestation 1990-2012	918,678 ha/year

	- Annual rate of forest degradation during 1990 to 2012	507,486 hectares/year
	- Peat land	14.9 million hectares
3.	Threatened natural forests	
	- Located in Production Forest for Conversion (HPK)	7.2 million hectare
	- Located in Area for Other Uses (APL)	7.48 million

- **Weakness.** FREL excludes forest degradation at more detail level, conservation of forest carbon stocks, sustainable management of forests, enhancement of forest carbon stocks, emissions from peat fires at the time of burning (which is very large and substantial). In INDC workshop, KLHK said that they will improve the data in the next communication to UNFCCC.
 - **Regarding KPH.** One of policy initiatives mentioned in FREL is KPH (Kesatuan Pengelolaan Hutan) establishment. One of RFN's partners that focuses on the impact of KPH establishment at the local level is YMP. There are still many problems and potential of conflict in KPH establishment conducted using business as usual approach that neglects local communities. HuMa has developed a training module of rights-based KPH development (under a different project). I think it would be great of if the two initiatives (KPH monitoring at the local level and KPH rights-based development training) can be linked. RFN partner meeting can be one of the forums/platforms to discuss this possibility.
 - See Annex I for summary and notes
- **INDC** (see Annex II for summary and critical notes)

Summary of INDC Workshop-Bappenas (April 11)

The workshop was held by Bappenas. The objective is to share the progress of the development of a 'dynamic' mitigation model, which integrates emissions reduction model in land, energy, industry, and waste management sectors. The model also portrays potential impact of mitigation policies on poverty (towards achieving 'pro-poor' ER). It concluded that mitigation policies contained in RAN-GRK and INDC (currently being reviewed and adjusted), although will not bring adverse impact on economic growth, ***may impede the effectiveness of poverty alleviation if the budget comes solely from domestic sources.***

Highlights:

- RAN-GRK has been reviewed and adjusted and is currently waiting for legalization in the form of revision of Perpres 61/2011 regarding National Action Plan on GHG Emissions Reduction. **This Perpres will become the legal basis for mitigation in Indonesia from 2016-2020 (with a target of 26-41%),** which is monitored and coordinated by Bappenas (RAN-GRK Secretariat). Adjustment includes:
 - Emission target per sector

- Baseline
 - Action plans (adjusted with RPJMN 2015-2019), including the role of private sector and NGOs (meaning here conservation NGOs such as Burung Indonesia, ICRAFT, etc). No mention of ER potential from social forestry/community-based forest management.
 - The most recent draft RAN-GRK was not shared but it was said public consultations involving NGOs had been conducted twice in 2015.
 - INDC (that many say is currently incomplete and inadequate) will be adjusted and developed into a Nationally Determined Contribution (NDC), which will be legally-binding from 2020 and beyond. The process will be coordinated by KLHK. **CSOs must consolidate to influence the content, including incorporation of ER potential from CBFM and protection of the rights of IP and local communities to land and natural resources, not just participation and equitable benefit sharing.**
 - Indonesia will sign Paris Agreement on April 22. Ratification process will commence in 2017 and after that, it will become the legal basis for mitigation and adaptation in Indonesia from 2020 and beyond (NDC will be the basis and will be reviewed per 5 years, each time must become more ambitious).
 - Projected contribution of forest, agriculture, and peat land to 2030 ER target is 19% (fair) to 23.21% (ambitious) of the total ER target.
 - Next steps:
 - Revision of Perpres 61/2011 (legal basis)
 - Review and adjustment of RAD-GRK
 - Development of INDC database that can be monitored continuously, also by the public
 - Development INDC per region
 - Mainstreaming INDC to RPJMN 2019-2024
 - No clear details regarding how to attain 29% target in 2030 yet.
 - Policy measures to reduce emissions in land sectors:
 - Forest fire prevention measures
 - Tree planting program
 - Moratorium issuing any new permits in primary forest and peatland areas, which covers 34% of Indonesian territory.
 - More stringent regulations and enforcement actions to reduce peat fires and the subsequent conversion of peatlands to agriculture uses = relevance with PP Gambut revision
 - Sustainable agriculture practices
- **New Regional Government Law (Law No. 23 year 2014) and palm oil licensing process**

Reading and summarizing is ongoing.

- i. ***Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut***

Progress of BRG

- In April 12, BRG launched a semi-restoration peatland program in 10 villages in Sub-District of Tebing Tinggi Timur, District of Kepulauan Meranti. BRG's target in 2016 is restoration of 600,000 hectares of peatland in four Districts (Pulang Pisau in Central Kalimantan, Ogan Komering Ilir and Musi Banyuasin in South Sumatera, and Kepulauan Meranti in Riau). The focus of BRG intervention is rewetting and revegetation.
- At the policy level, the process of revision of PP 71/2014 (PP Gambut) is still ongoing. The Coalition is planning to hold a press conference regarding substantial weakening of peatland regulation on April 26.
- BRG will coordinate with CSOs regarding utilization of Ex-area of PT Lestary Unggul Makmur (HTI, April Group) with the size of 10,000 hectares (6,000 hectares still forest) in Sungai Tohor village, which license was revoked in December 2015 due to forest fire. The area will be designated for social forestry.

j. Network with a wider set of stakeholders on REDD+ in Indonesia and gain access to documentation and meeting places where relevant information on REDD+ is shared

- Contact with Ditjen PPI has been made with Lia Kartikasari (subditjen of Climate Funding). She said progress regarding REDD+ implementation, including funding instrument and safeguards, will be shared in Indonesian REDD+ Day on April 29. Invitation is given.
- There is an invitation to RSPO NGO Forum on April 28.

k. General developments of sectors related to drivers of deforestation, such as the palm oil sector

IPOP controversy

- o KADIN (Indonesian Trade Chamber) asked KPPU (Business Competition Supervisory Commission) to conduct a study and analysis on IPOP.
- o In October 22, 2015, KPPU issued an information letter No. 184/K/X/2015 regarding KPPU's response on IPOP. The letter stated that IPOP has the potential to contravene Law No. 6 year 1999 regarding Anti-Monopoly and Unhealthy Business Competition because it has the potential to distort the market and has an impact on other business actors (FFB producers) that have satisfied Indonesian regulations (ISPO) but are prevented to sell their products to companies that are members of IPOP. The letter also stated that IPOP commitment is higher than Indonesian regulations (ISPO) because it has the element of HCS (high carbon stock) criteria. KPPU thinks it creates unhealthy business competition and has the potential of cartel.
- o Gamal Nazir, Head of Directorate General on Plantation in the Ministry of Agriculture will use KPPU's information letter as the basis to form a regulation to ban IPOP implementation.
- o Member of Commission IV of the House of Representatives, Firman Subagyo, supports KPPU decision and the plan to ban IPOP implementation.

- IPOP director (Nurdiana) stated that they have been making efforts to meet KPPU's recommendations to avoid cartel-like behaviour and that they are open to evaluation and further recommendations in the future.
- Coalition will discuss how to respond to this issue. One of the questions we are asking is whether or not companies' **individual** commitment on sustainability can be construed as cartel/monopoly practice. A temporary reading on this issue involves a personal interest of the Head of Directorate General on Plantation, Gamal Nasir, that will soon retire and has an eye to work in one of palm oil companies that is reluctant to IPOP implementation.

- **Palm oil and mining moratorium plan**

- **President's statement.** The government (KLHK) is preparing for a legal umbrella for moratorium on new opening of palm oil plantation and mining area based on President's Jokowi request on International Forest Day (14 April)—possibly in the form of a Presidential Instruction. The government is considering to stop the issuance of palm oil concession license and mining activities because land for palm oil is deemed enough already (10.5 million of hectares).
- **GAPKI's response.** GAPKI's spokesperson Tofan Mahdi stated on April 15 that palm oil companies will accept the President's decision to no longer issue palm oil licenses. He said that there are still rooms to increase productivity.
- **Negative response.** Tungkot Sipayung (director of Palm Oil Agribusiness Strategy/PASP, formerly in GAPKI) stated that the moratorium plan violates Indonesian constitution.
- **Coalition's response.** The Coalition is planning to compose a paper containing arguments to support the moratorium plan, including the legal format that is planned to be a Presidential Instruction, which is legally weak.. The next Coalition meeting is set on April 21 or 22.

1. the coverage of REDD+ in selected Indonesian media and assess if these are effective and accurate channels for distributing information on the development of REDD+ in Indonesia

- REDD+-relevant news in the last two weeks are focused on IPOP controversy and plan of palm oil and mining moratorium. Missing from media coverage are important issues such as progress and status of bilateral and multilateral REDD+ projects in Indonesia, status and progress of customary forest enactment and conflict resolution in the land sector. Local developments on REDD+ is also a rarity in the national media.

C. Tentative Plan for April II 2016

- Coalition meeting to discuss response of palm oil and mining moratorium and to prepare for Press Conference on PP Gambut (April 21 or 22)
- Press Conference on PP Gambut (April 26)

- RSPO NGO Forum (28 April)
- Indonesian REDD day (April 29)
- Finishing reading regarding palm oil and forestry licensing process.

Annex I

Summary of Indonesian FREL document

Context

- Indonesia must submit its Forest Reference Emission Level (FREL) to the UNFCCC in the context of REDD+ implementation, especially to access results-based payment.
- This document was put together by a team commissioned by KLHK and published by Ditjen PPI (**bahasa Indonesia version is missing!**)
- This document is a technical document containing emission baselines of forest and peat land. But it also contains important sections regarding definition regarding forests, including definition of forest, deforestation, and forest degradation.

Policy context

- Indonesia has already put in place a National and Regional Action Plan on GHG Emission Reduction (RAN and RAD GRK) in 2011, which is categorized as Nationally Appropriate Mitigation Action (NAMA) that can be supported internationally
- There are already some results-based arrangement for REDD+, including Lol with Norway
- Moratorium
- Target of establishing 600 KPH in 2019 (does Lol support this?)
- Established KPH = 120 KPH model (2000-2013).
-

Definitions

- Definition of forest used is actual forest cover regardless of the legal status as forest area or non-forest area.
- **Industrial Plantation Forest (HTI) is categorized as forest** (plantation forest). Conversion to HTI is not counted as deforestation. This is one of the most contested area with regards to forest definition among the government and civil society.
- Definition of deforestation: conversion of natural forest cover to other category of land that happens one time in a particular area.
- Definition of forest degradation: change of primary forest classes, which include primary dryland, primary mangrove and primary peat swamp forests, to secondary forest classes. The main causes of forest degradation include unsustainable logging, agriculture (shifting cultivations), fires, fuel wood collection, and livestock grazing
- Peat land: an area with an accumulation of partly decomposed organic matter, water saturated with carbon content of at least 12% (usually 40-60% C content) and the thickness of the carbon rich layer of at least 50 cm (Wahyunto et al. 2014; Agus et al. 2011; SNI 7925-2013)

Exception

- Exempted from the calculation of FREL: forest degradation at more detail level, conservation of forest carbon stocks, sustainable management of forests, enhancement of forest carbon stocks, emissions from peat fires at the time of burning (which is very large and substantial)

Emissions

- Emissions from LULUCF (including deforestation and forest degradation in 2005) accounted for 37.7 % from total national emission in 2005.
- online carbon monitoring system for AGB in 13 Provinces (<http://puspijak.org/karbon/>)

Baseline emissions for REDD+ before 2020

- Average annual emissions from deforestation: 293 MtCO_{2e} yr⁻¹
- From degradation: 58 MtCO_{2e} yr⁻¹
- From peat land decomposition over time: 226.1 MtCO_{2e} yr⁻¹ in 2011-2012
- forest reference emission level from deforestation and degradation was set at **0.351 GtCO_{2e} yr⁻¹** (AGB), added by **0.217 GtCO_{2e} yr⁻¹** from peat decomposition

Deforestation Rate

- Annual rate of deforestation 1990-2012: **918,678 ha**
- In the latest period (2011-2012), the deforestation rate was about 786 thousands ha/year
- Approximately 78% of deforestation occurred in Sumatra and Kalimantan; Sulawesi (8%), Papua (8%), Maluku, Java, and Bali Nusa Tenggara (6%)
- Main drivers: land an peat fire, HTI, palm oil

Degradation Rate:

- Annual rate of forest degradation during 1990 to 2012 = 2012 507,486 hectares/year.
Causes: encroachment of forest (e.g. .for planting cocoa and cloves), illegal logging and encroachment activities, insufficient incentives for communities and governments in maintaining protected areas, and low capacity of charged institutions in managing protected areas (IFCA, 2008). Degradation in Papua caused by subsystem local community activity.

Peatland:

- Peat land in Indonesia = 14.9 million hectares (Ritung, 2011)

Drivers

• Palm oil

In 2010=2010 10 million hectares (latest data from SPKS 13,297,759 hectares) ; 4,5 million hectares owned by smallholders involving the livelihood of 2 million household of farmers

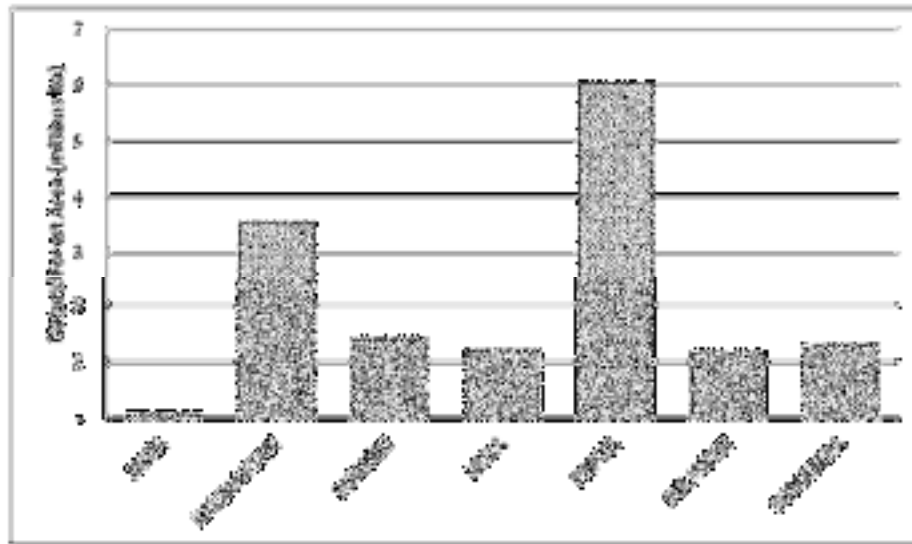
Production - 27.7 million tons of CPO in 2013 (the highest in the world)

• Production Forest for Conversion (HPK)

- Forest allocated to be converted for development purposes = 15.2 million hectares, including **7.2 million hectares of natural forest (2012) = potential loss of natural forest**

• APL

- Currently, there are **7.48 million** hectares of natural forests located within APL = can be legally destroyed anytime when a license is granted.
- Total threatened natural forests: **14.72 million hectares (15.44 million hectares in 2013)**. The largest in Papua!



Land Cover Map

(<http://nfms.dephut.go.id>) and linking to the One Map Web GIS, at <http://tanahair.indonesia.go.id>

Mention of communities:

Role of conservation and sustainable management of forest

strengthening the role of local community and institutions (including private company, civil society, and government) in maintaining, preserving, and scaling up the role of natural forest conservation with regards to the emission reduction



Annex II

Summary of INDC

Context:

- Intended Nationally Determined Contribution (INDC) is a policy paper submitted by the Government of Indonesia (Ministry of Environment and Forestry) to the UNFCCC to elaborate on Indonesia's plans to address climate change, which consists of mitigation and adaptation plans. This summary only pertains to mitigation.
- INDC contains the plan for Indonesia's contribution to climate change mitigation before 2020, which is voluntary in nature. After 2020, based on Paris Agreement, climate change mitigation commitment shall be mandatory and legally binding.
- INDC contains actions that will be undertaken (enhanced actions) and creation of enabling conditions in the period of 2015-2019 by the government of Indonesia. Besides as a means of communicating its commitment and plans, this INDC is also expected to increase the country's attractiveness to foreign funding for mitigation and adaptation.

- INDC only informs us generally regarding what the Government of Indonesia will do regarding adaptation and does not contain any explanation or more detailed steps of how to protect the remaining Indonesian forests, handle forest fire, and recognize and protects the rights of indigenous people and local communities.
- Many critics point out that Indonesian INDC is inadequate because it is way too general and does not contain any details regarding how much emissions exactly will be reduced from the seven steps that are mentioned (see below), for example, how much emissions will be reduced from palm oil sector.
- In conclusion, Indonesian INDC contains only policy plans in seven issues (see below), not quantifiable emission reduction plan in each sector and steps to achieve it.

Indonesian Mitigation Commitment

- Voluntary/unconditional emission reduction: 26% from BAU by 2020 with own support, 41% with international support
- 29% from BAU by 2030, 41% with international support.

Policy Steps:

- Moratorium (until 2016)
- National and Regional Action Plan on GHG Emissions Reduction (RAN and RAD GRK) monitored by Bappenas (Development Planning Agency), which also formulates and monitors the RPJMN (National Medium-Term Development Plan)
- Mitigation in the forestry sector will be implemented through REDD+

7 Implementation Steps:

- 1) effective land use and spatial planning,
- 2) SFM, including social forestry,
- 3) restoring functions of degraded ecosystems,
- 4) improved agriculture and fishery productivity,
- 5) energy conservation,
- 6) promoting renewable energy resources,
- 7) improving waste management

The seven steps are not elaborated at all in the document, raising questions regarding what the Government of Indonesia will do differently to achieve its mitigation commitment and how much emissions will be reduced from each step.

Tenure and Indigenous people and local communities

- Tenurial security is mentioned in the document as one of enabling conditions to achieve mitigation commitment, but there is no elaboration regarding specific steps that will be implemented to achieve this purpose.
- Perspective regarding indigenous people and vulnerable groups is very inadequate. The document only mentions capacity building of communities and vulnerable groups and equitable distribution of benefits while what is urgent in Indonesia is recognition, protection, and fulfillment of human rights of those groups, especially with regards to natural resources. It is noticed with concern that the Government of Indonesia still refuses to use the term indigenous people as demanded by AMAN to enable the application of international human rights law on indigenous people.

- Issue of participation is mentioned, especially participation of local communities in local planning process and access to natural resources. These two issues are very important to implement on the ground.
- Prevention and resolution of conflicts and social forestry are also mentioned as steps to achieve social resilience. However, there is no elaboration as to how these will be achieved.

Critical notes:

- Indonesian INDC does not show in an adequate manner how the ER target will be achieved (qualitatively and quantitatively) from each sector or policy steps mentioned. Things are stated way too generally like putting all the good things out there.
- Perspective regarding indigenous people and vulnerable groups is very inadequate and does not reflect human rights approach. Capacity building, participation, access, and equitable distribution of benefits are very important issues, but they must be based on recognition, protection, respect, and fulfillment of human rights. The absence of rights language in mitigation related document of Government of Indonesia is a regressive step from the era of the REDD+ Agency where rights of indigenous people and local communities were central in terms of REDD+ preparation and implementation. This might be due to disappearance of key progressive individuals within REDD+ Institution in Indonesia at the time being. CSOs must continue stressing the centrality of human rights in REDD+ implementation, especially regarding land and natural resources, not just in implementation at the project level but as a precondition of REDD+ implementation. The issue of rights must be placed upstream, not confined to downstream implementation in the form of safeguards.
- Mitigation and adaptation will be mainstreamed in the Medium-Term National Development Planning of 2019-2024, which is way too late.

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

May 11 2016

by

Anggalia Putri Permatasari

In this report:

- List of activities
- PP Gambut revision advocacy
- Moratorium advocacy
- IPOP controversy
- Partner's focus: palm oil expansion in Sorong, Papua

A. Activities

Activities in the period of May 1-14:

No	Activity	Output	Follow-Up
1.	Finalization of draft Coalition's Demand on PP Gambut revision	Final draft of Coalition's Demands on PP Gambut revision to be submitted to the Ministry of Law and Human Rights signed-on by Greenpeace, ICEL, FWI, Pusaka, and HuMa	Submission to Kemenhukham
2.	Discussion regarding IPOP controversy	CSO positioning	Continuing works and advocacy on IPOP elements
3.	Communication with Paradisea on moratorium (PIPIB revision)	Information of where to submit PIPIB revision	
4.	Collecting materials for moratorium evaluation (ongoing)	Materials for moratorium evaluation (still lacking data from the ground)	
5.	Following news on REDD+, IPOP, moratorium, BRG	News database	Discourse analysis
6.	Reading WB Climate Change Action Plan (ongoing)	Summary in progress	
6.	Preparing report		

B. Developments on REDD+ Implementation

m. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

No new developments yet.

n. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

KLHK is preparing revision of Law No. 32 year 2009 on Environment Protection and Management to strengthen peat land protection. The draft has not been circulated since it is still being discussed internally in the Ministry.

- o. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut***

Adat Forest

- Epistema, HuMa, AMAN, JKPP and others held a Masyarakat Adat Symposium II “Indigenous People Movement and Law Reform” on May 17 to commemorate three years of Constitutional Court No. 35/2012. It revealed that from 13 proposals of adat forest, none has been approved. There are progresses regarding regulations at the national level regarding recognition of adat territories, including forest at the Ministerial Regulation level. The challenge, however, is in the implementation. So far, CSOs are still waiting for good news from the Minister, who keeps saying that the proposals are currently being intensively discussed.

Revision of PP Gambut

Content of PP Gambut

- Basically, PP Gambut PP.71/2014 regulates on six things: 1) planning, 2) utilization, 3) control, 4) maintenance, 5) monitoring, and 6) sanctions regarding peat ecosystem
- Planning includes: 1) inventory, 2) designation of status (protected or for cultivation), and 3) Peat Ecosystem Protection and Management Plan (which includes climate change adaptation and mitigation).
- Inventory includes development of Map of Peat Hidrology Unit (KHG) that will become the basis to designate status and formulate protection and management plan for peat ecosystem.
- Designation of status: protected and for cultivation. Protected peat criteria: 1) minimum 30% of the total size of KHG that has been mapped with the following additions: a) peat with thickness more than 3 meters, b) specific/endemic plasma nutfah, c) peat ecosystem in protection areas (as designated in spatial planning, protected forest, and conservation forest). Peat for cultivation can be turned into protected peat if there is an ecological urgency to prevent and restore the environment in or around peat ecosystem.
- Currently, this regulation cannot be applied to existing operational licenses in protected peat because of the wordings of the transitional arrangement. This is one of the most crucial articles being contested in the revision process.

Revision Process

- Government Regulation No. 71/2014 on Protection and Management of Peat Ecosystem is very important in achieving Indonesia’s emission reduction target. This regulation will be the main legal regime regulating peat protection and management. Due to its legal form (PP), it will supercede other Ministerial regulations, including regulations regarding palm oil development on peat, which are currently weaker (allowing peat to be cultivated).
- The revision was intended to strengthen the Regulation in the face of the 2015 forest fire, but there are also attempts to weaken it, for example from APHI (Indonesian Forest Business

Association) through its lobbying. APHI has sent inputs to the revision and has met with BRG on May 16 to discuss them.

- The draft revised PP is now in the hands of Ministry of Law and Human Rights (Kemenhukham). BRG has submitted its inputs to the Ministry while CSOs (the Coalition) already has the final draft to be submitted on Wednesday (May 18).
- Since the Coalition has lost its key people (and therefore focus on important issues such as PP Gambut and moratorium), I helped facilitating discussions and drafting the Coalition's Demand (see Annex I).

Content

- There are many contentious issues in the revision process, among others are:
 - o Criteria of designation of protected peat ecosystem. In PP Gambut, it is stipulated that peat with thickness more than 3 meters must be designated as protected peat, which cannot be cleared or cultivated. APHI proposes to remove this provision so that they can still develop timber plantation or clear it.
 - o CSOs propose that incidence of peat fire becomes one of the criteria to designate peat with protected status, therefore potentially expanding the size of protected peat.
 - o CSOs propose inclusion of social-cultural characteristics, including existence of villages, indigenous people communities/territories, tenurial rights, and conflicts on peat land to be incorporated in the Map of Peat Hidrology Unit (KHG Map), that will become the main reference in designating peat status (protected or for cultivation) and formulating peat protection and management plan. In the current PP, provision on KGH Map only includes biophysical information. We also want social and religious rituals of indigenous people and local communities to be allowed in peat with protected status.
 - o APHI proposes to remove provision regarding the implementation of audit of licenses to prevent peat damage. They only want evaluation, not audit. This provision (audit) has made its way to the January 2016 version of draft revision and we demand that this be maintained.
 - o APHI proposes to weaken the criteria of damaged peat from 0.4 meter under peat surface to 0.8 meter. We demand that this proposal be rejected.
 - o There is a proposed provision in the January version of draft revision that the government can take over concession in which there is peat fire. APHI proposes to remove this proposal and we demand to maintain it.
 - o Regarding transitional arrangement (which is one of the most important battle grounds).
 - Currently, the transitional arrangement is very weak and allows peat conversion to continue. It says that all existing licenses issued on protected peat before the Regulation was enacted and that are already operational (existing operational licenses) remain valid until their expiration date. We propose that all existing operational licenses on peat be evaluated and

audited. If the licenses were obtained legally, they may remain valid but not until their expiration date, but until the end of one plant cycle. If the licenses were obtained illegally, they must be revoked at once. We also demand that existing unoperational licenses on protected peat must be revoked at once.

- The legal loophole is temporarily addressed with moratorium on peat clearance issued by the Ministry of Environment and Forestry through a Circular Letter No S.494/2015 on Prohibition of Peat Land Clearance, which prohibits issuance of new licenses on peat land (regardless of location and depth) and land clearance even in existing concessions that are not yet operational. For existing operational licenses, there will be a review. If the licenses are located in peat dome, the area must be closed and restored. The Secretary General also issued Circular Letter instructing all concession holders (HPH, HTI, and Ecosystem Restoration, and plantation) not to open peat land. However, Circular Letter does not have any legal power as it is not qualified as a law/regulation and it actually cannot set up a new legal norm in contrary to laws and regulations. Concession holders can argue that the instruction is not valid because the laws and regulations stipulate that some peat land can still be cultivated. This is why PP Gambut revision becomes very crucial to close the legal loopholes.

p. General developments of sectors related to drivers of deforestation, such as the palm oil sector

IPOP

- IPOP controversy continues. On May 6, ANTARA (Indonesian National News Agency) wrote an article that contained very negative framing on US and Norway governments as well as NGO advocacy to IPOP signatories, which specifically mentioned RFN as quoted below:

“The process of companies declaring new standard/criteria regarding this “sustainability” is pushed (“commanded”) by the Government of United States and Norway. As an evidence, US Government asked directly to Indonesian companies to pledge new “sustainability policy.” Besides, the process of drafting the “pledge” content in IPOP reportedly often took place in the house of US Vice Ambassador or in the private office of the executive body of KADIN Indonesia in Jakarta. This is a target of the two governments as shown by IPOP signing in New York, which was funded by Norway. If traced in detail, the fund for NGO campaigns on the “signatories” came from “Norway Rainforest Foundation,” most of which comes from Norway Government.

Although it was put in the news section, the article is most probably an op-editorial because it does not even qualify as news that is supposed to cover both sides and contains no opinion of the writer (while the article is opinion all the way down). It was written by a senior journalist, Aat Surya Syafaat, who is also one of the Directors in ANTARA.

- KPPU has sent a letter to Jokowi recommending suspension of IPOP implementation. There has not been a response from the President Office. So far, the following institutions have given statement in the news against IPOP: Ministry of Agriculture, Coordinating Ministry of Politics, Law, and Security, and the House of Representatives while KLHK has given a statement that they are not in the position to take any action but that they will review and study whether it has potentials for violation of laws and regulations. I am currently analysing statements and arguments in IPOP news to find the discourse pattern.
- I have discussed the IPOP controversy with several Coalition key people (Jojo, Steni, Yuyun, Teguh) and they are in the opinion that it is better for CSOs not to get caught directly in the media war (although the war so far is mostly one-sided). Jojo is of the opinion that there is a personal interest behind it, namely the interest of Gamal Nasir (Director General of Plantation in the Ministry of Agriculture) to get employment in one of the big palm oil companies in the face of his retirement in August 2016. We agreed at the moment that instead of being directly caught in the debate, we should move things forward by continuing works and advocacy on elements of palm oil sustainability such as no peat, no deforestation, legal obtainment of licenses, and promotion of HCS that is currently not yet a part of Indonesian legal norms.

Moratorium

- This May, the moratorium policy has been implemented for 5 years. Although it has been extended twice (2013, 2015), the content and legal form has not been strengthened. Existing weaknesses include:
 - Exclusion of secondary forests that are still intact.
 - Exclusion of licenses that have been granted a principle permit. Deforestation and degradation will occur when permits for production are issued.
 - Exclusion of large-scale land use for food and energy (paddy and sugar cane) as well as for oil and gas, geothermal, and power plants development. Exclusion for sugar cane is especially significant because the maximum size of land that can be proposed by a company is larger than other types of plantation (60,000 hectares in one province and 150,000 hectares throughout Indonesia). Especially in Papua, Maluku, and South Sumatera this (food and energy estate) has been the MO for land banking, especially if palm oil license moratorium is implemented.
 - Exclusion of extension of existing licenses in forest area/peat land (specifically for peat land, the loophole is temporarily closed by total prohibition to issue a license and open peat land issued by KLHK in November 2015).
- Violations of moratorium still occur. Walhi Kalteng and Save Our Borneo found a company in Bawan Village, Kahayan Tengah, Pulang Pisau District, that acquired location permit in September 28, 2011 with the size of 19,815 hectares. On June 27, 2014, the company obtained forest area relinquishment permit from KLHK with the size of 8,834.16 hectares and has started clearing the land.

- Regarding advocacy on moratorium at the national level, I have been trying to get Coalition members to hold an evaluation on moratorium implementation, which was always held every year before, mostly with RFN support through HuMa. However, it seems that the Coalition members have currently lost focus on moratorium. I have contacted HuMa, Greenpeace, and Walhi. HuMa no longer has budget to facilitate the Coalition on moratorium issue while Greenpeace no longer focuses on moratorium implementation/PIPIB revision (although they can still chip in using peat and forest fire as a hook). Meanwhile, Walhi Eknas will likely do something about moratorium evaluation (press conference/release). But, according to Alien from Walhi, there is a possibility that Walhi will do it themselves and not with Coalition. Walhi has been detaching themselves from the Coalition on several crucial issues, including moratorium and PP Gambut Revision, and REDD+ altogether. My analysis is that sometimes the position of Coalition is deemed to moderate for Walhi. Walhi is also a bit resistant to the concept of REDD+ although in spirit, we all agree that REDD+ is a movement and we can get positive results using REDD+ issue. Currently, the core organizations are positioning themselves and what I am doing is facilitating informal discussion and throwing ideas. I plan to make a moratorium evaluation draft in the coming days to jumpstart the process among the Coalition.
- Meanwhile, at the regional level, Walhi Kalteng has been quoted in Kompas (May 18) in moratorium news, which is very good because Walhi Kalteng and networks are the lead organizations in Central Kalimantan in this issue. I have contacted RFN partners at the regional level asking them whether they have works or plans on moratorium evaluation. So far, only Paradisea responded. They have a plan to propose a revision to the Indicative Map of Moratorium (PIPIB) and I have directed them to send the proposal to KLHK/Geospatial Information Agency.

BRG

- BRG established Peat Restoration team in South Sumatera with focus on Ogan Komering Ilir and Musi Banyuasin Districts. One of the tasks is to develop basis of data that will be a reference to determine damage criteria.

q. the coverage of REDD+ in selected Indonesian media and assess if these are effective and accurate channels for distributing information on the development of REDD+ in Indonesia

REDD+-related news in Kompas in this period cover issues of progress of adat forest, BRG, and moratorium. Walhi Kalteng has a quote on moratorium news. It will be very good if more RFN partners who work on adat forest, moratorium, and other REDD-related issues get more quote in mainstream national media such as Kompas, but also in prominent online environmental news outlet such as mongabay and perhaps in REDD+monitor.org. Currently, I have started to ask partners if they have anything to disseminate more widely regarding big issues such as PP Gambut revision and moratorium in the hope that I can disseminate it further. I think in the future or in the next partner meeting we can discuss more about the possibility of getting stories from the ground disseminated more effectively

to national media, perhaps through a planned/programmed joint press conference for specific issues that all partners are working on or appointment of specific PIC in every partner organization to coordinate with me to disseminate their work results at the national level.

Partner's Focus: Palm Oil Expansion in Sorong, West Papua

I have received information from Paradisea and later from Pusaka regarding the issuance of Letters of Approval in Principle for Relinquishment of Forest Area for palm oil plantations for PT. Mega Mustika Plantation (9,168 ha) and PT. Cipta Papua Plantation in Sorong, West Papua (15,310 ha). Moi community was informed about the letters only when they were invited by Sorong Forestry Service to discuss boundary demarcation process of the two plantations. They have conveyed their protest to the plan. CSOs are sending a letter to KLHK today demanding that the approvals be revoked. They also demand that Forestry Office cancel the demarcation process.

According to information from Paradisea, some of the proposed area for concession is included in the moratorium map (around 1,680 hectares) but as I inquired further, the principle license was issued before moratorium.

C. Tentative Plan for May II 2016

- Write a draft moratorium evaluation: loopholes and the way forward.
- Continue working with the Coalition to do something for moratorium commemoration.

Annex I

KOALISI MASYARAKAT SIPIL UNTUK PENYELAMATAN HUTAN INDONESIA DAN IKLIM GLOBAL

Menuntut

Penguatan Perlindungan Ekosistem Gambut dan Hak Masyarakat Adat dan Lokal dalam Revisi PP 71 tahun 2014 tentang Perlindungan dan Pengelolaan Ekosistem Gambut

Kebakaran masif hutan dan lahan gambut yang terjadi pada tahun 2015 menimbulkan kerugian kolektif bangsa yang amat besar dalam hal kerusakan lahan dan tanaman⁶, gangguan kesehatan dan perekonomian, serta pencemaran lingkungan, termasuk pelepasan emisi yang dahsyat, yang menempatkan Indonesia dalam sorotan kritis dunia. Oleh karena itu, **penguatan perlindungan dan pemulihan ekosistem gambut serta hak-hak masyarakat yang berada di dalamnya, termasuk hak-hak masyarakat adat dan lokal**, adalah agenda kepentingan nasional yang mendesak. Salah satu peraturan yang memainkan peran sentral dalam melindungi dan memulihkan ekosistem gambut adalah Peraturan Pemerintah No. 71 tahun 2014 tentang Perlindungan dan Pengelolaan Ekosistem Gambut, yang saat ini tengah berada dalam proses revisi.

Kami sebagai kelompok masyarakat sipil yang peduli atas kelestarian hutan Indonesia dan iklim global serta perlindungan hak masyarakat adat dan lokal atas sumber daya alam dan lingkungan yang baik dan sehat menyambut baik inisiatif pemerintah untuk menggali masukan dari masyarakat sipil dalam proses revisi tersebut. Akan tetapi, kami memiliki kekhawatiran mendalam bahwa tengah terjadi **pelemahan substansial** dalam hal perlindungan ekosistem gambut dalam proses revisi tersebut melalui pengabaian masukan-masukan penting yang telah kami sampaikan. Pelemahan ini akan membahayakan ekosistem gambut yang tersisa, mengancam masyarakat adat dan lokal yang lingkungannya rusak akibat perusakan gambut oleh perusahaan skala besar, dan melemahkan upaya pencapaian target pengurangan emisi Indonesia sebesar 29% pada tahun 2030.

Dengan ini, kami menuntut upaya penguatan perlindungan ekosistem gambut dan hak masyarakat adat dan lokal dalam revisi PP 71/2014 tersebut dengan memuat hal-hal berikut.

Landasan

1. **Penambahan pada bagian 'Menimbang.'** Kebakaran hutan dan lahan pada tahun 2015 adalah perusakan turunan yang diawali oleh pembuatan kanal. Hal tersebut harus tercermin dalam bagian 'Menimbang.' Oleh karena itu, kami mengusulkan agar bagian Menimbang huruf (a)⁷ menjadi sebagai berikut:

Menimbang:

- a. bahwa gambut merupakan ekosistem rentan dan telah mengalami kerusakan yang disebabkan oleh pembuatan kanal (pengeringan gambut) dan kebakaran hutan dan lahan tahun 2015, sehingga harus dilakukan upaya-upaya yang intensif dalam perlindungan dan pengelolaan;

⁶ Luas kebakaran hutan dan lahan tahun 2015 mencapai 2,1 juta hektar (LAPAN)

⁷ Draft Perubahan PP No. 71 tahun 2014 tanggal 15 Januari 2016

Definisi Operasional

2. **Penambahan definisi Restorasi (BAB I Ketentuan Umum Pasal 1).** Pasal 1 Ketentuan Umum harus memuat definisi Restorasi dalam konteks pemulihan/pengembalian fungsi ekosistem gambut di mana intervensi hanya dilakukan di awal sebagai syarat mutlak suksesi alam dalam memulihkan ekosistem gambut. Hal ini agar Restorasi gambut tidak semata-mata dipandang sebagai cara untuk meminimalkan resiko agar ekosistem gambut menjadi kondusif bagi investasi.

Peta KHG

3. **Terkait Peta Final Kesatuan Hidrologis Gambut (penambahan pada Pasal 7 ayat 1).** Peta Final KHG harus mencakup karakteristik sosial-budaya yang meliputi: 1) keberadaan desa atau nama lain atau masyarakat hukum adat; 2) bentuk penguasaan dan pemanfaatan ekosistem gambut; dan 3) konflik penguasaan dan pemanfaatan gambut

Penetapan Fungsi Ekosistem Gambut

4. **Terkait kriteria penetapan ekosistem gambut dengan fungsi lindung (Pasal 9 ayat 4 huruf a).** Ketentuan bahwa gambut dengan ketebalan 3 (tiga) meter atau lebih harus ditetapkan sebagai fungsi lindung harus dipertahankan dan tidak dihapus. Penghapusan ketentuan tersebut akan sangat melemahkan perlindungan ekosistem gambut dan berimplikasi terhadap peraturan lain terkait dengan Perlindungan Ekosistem Gambut
5. **Terkait perubahan fungsi ekosistem gambut dengan fungsi budidaya menjadi ekosistem gambut dengan fungsi lindung.** Kebakaran hutan dan lahan harus ditetapkan/disebutkan secara eksplisit sebagai salah satu kriteria bagi Menteri untuk menetapkan ekosistem gambut dengan fungsi lindung (**penambahan pada Pasal 11 ayat 3**). Sejalan dengan itu, harus disebutkan perlunya menyusun rencana perlindungan dan pengelolaan ekosistem gambut bekas areal kebakaran dengan pendekatan Restorasi ekosistem gambut (**penambahan pada Pasal 14**).

Pemanfaatan Ekosistem Gambut dengan Fungsi Lindung

6. **Terkait pemanfaatan ekosistem gambut dengan fungsi lindung (penambahan pada Pasal 21 ayat 1).** Pemanfaatan Ekosistem Gambut pada Ekosistem Gambut dengan fungsi lindung sebagaimana dimaksud dalam Pasal 20 ayat (2) harus mengakomodasi kegiatan religi dan aspek sosial budaya lain berbasis kearifan lokal.

Evaluasi dan Audit Perizinan Pemanfaatan Lahan Gambut

7. **Terkait evaluasi perizinan (Pasal 22 A ayat 2 huruf c).** Ketentuan mengenai pelaksanaan audit perizinan pemanfaatan lahan gambut (tidak hanya evaluasi) harus dipertahankan dan tidak dihapus. Audit perizinan menjadi jaminan pertanggungjawaban atas perlindungan dan pemanfaatan lahan gambut.

Pencegahan Kerusakan Ekosistem Gambut

8. Terkait kriteria baku kerusakan ekosistem gambut dengan fungsi budidaya (Pasal 23 ayat 3 huruf a). Ketantuan Muka air tanah di lahan gambut lebih dari 0,4 meter di bawah permukaan Gambut harus dipertahankan sebagai salah satu kriteria baku kerusakan ekosistem gambut dengan fungsi budidaya. Usulan untuk mengubahnya menjadi tinggi muka air tanah sekurang-kurangnya 0,8 meter harus ditolak.

9. Terkait kriteria baku kerusakan ekosistem gambut (penambahan pada Pasal 24).

Terjadinya kebakaran di ekosistem gambut harus menjadi salah satu kriteria baku kerusakan Ekosistem Gambut, baik di Ekosistem Gambut dengan fungsi lindung maupun budidaya. Hal ini sejalan dengan PP no.4/2001 tentang **PENGENDALIAN KERUSAKAN DAN ATAU PENCEMARAN LINGKUNGAN HIDUP YANG BERKAITAN DENGAN KEBAKARAN HUTAN DAN ATAU LAHAN**

Ketentuan Restorasi

10. Terkait ketentuan restorasi (Pasal 30 A ayat 1). Usulan pada draft Perubahan tanggal 9 Desember 2015 tentang ketentuan Perencanaan, Pemetaan dan Zonasi kawasan lindung dan kawasan budidaya dalam ketentuan mengenai restorasi menghilang dan harus dimasukkan kembali, yakni sebagai berikut:

Pasal 30 A

- (1) Restorasi sebagaimana dimaksud pada Pasal 31 ayat (3) huruf c dilakukan dengan:
 - a. Perencanaan, pemetaan dan zonasi kawasan lindung dan kawasan budidaya
 - b.

Perlu ditambahkan satu klausul yang mengatur syarat mutlak pemulihan fungsi hidrologis dan fungsi ekosistem gambut.

Larangan

Terkait kegiatan yang dilarang di ekosistem gambut dengan fungsi lindung (Pasal 26).

- a. Larangan membakar lahan gambut harus disertai dengan larangan untuk melakukan *pembiaran* pembakaran lahan gambut (Pasal 26 poin c)
- b. Larangan pembukaan lahan gambut harus diarahkan untuk izin-izin baru dan untuk izin-izin lama harus segera dilakukan evaluasi dan audit

Ekosistem Gambut yang Terbakar di Area Perizinan

11. Terkait pemulihan ekosistem gambut yang terbakar di areal perizinan (Pasal 31B).

Ketentuan bahwa Pemerintah dapat mengambil tindakan penyelamatan dan pengambilalihan areal bekas kebakaran di areal perizinan usaha dan/atau kegiatannya di mana terdapat gambut yang terbakar harus dipertahankan dan tidak dihapus.

12. Terkait masukan tentang perubahan fungsi budidaya menjadi fungsi lindung.

Diusulkan bahwa:

"Perubahan fungsi budidaya menjadi fungsi lindung akibat adanya penetapan peta KHG dan penetapan fungsi budidaya dan fungsi lindung di dalam kawasan hutan dilaksanakan melalui proses pengukuhan kawasan hutan."

Menurut hemat kami, perubahan fungsi budidaya menjadi fungsi lindung tidak harus melalui proses pengukuhan kawasan hutan, melainkan cukup melalui prosedur yang telah ditetapkan.

13. Terkait pasal peralihan (Pasal 49).

- a. Izin usaha dan/atau kegiatan untuk memanfaatkan Ekosistem Gambut pada fungsi lindung yang telah terbit dan sudah beroperasi sebelum Peraturan Pemerintah ini berlaku harus dievaluasi dan diaudit. Jika izin tersebut diperoleh sesuai dengan prosedur yang benar, maka dinyatakan tetap berlaku sampai berakhirnya 1 (satu) kali daur tanaman (bukan sampai masa izin berakhir dan tidak boleh ada perpanjangan). Jika izin tersebut diperoleh tidak melalui prosedur yang benar, izin tersebut harus langsung dicabut.
- b. Izin usaha pemanfaatan ekosistem gambut dengan fungsi lindung yang belum disertai dengan pembukaan lahan harus dinyatakan tidak berlaku.

Koalisi Masyarakat Sipil untuk Penyelamatan Hutan Indonesia dan Iklim Global

Organisasi Pendukung

1. Greenpeace
2. Indonesian Center for Environmental Law (ICEL)
3. Yayasan Pusaka
4. Forest Watch Indonesia
5. HuMA
6. Jikalahari

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

May II 2016

by

Anggalia Putri Permatasari

In this report:

- List of activities
- PP Gambut revision
- Moratorium
- IPOP and ISPO
- Partner's focus: Paradisea

A. Activities

Activities in the period of May 15-31:

No	Activity	Output	Follow-Up
1.	Analysing IPOP Discourse in the media and Law No. 5 Year 1999 on Anti-Monopoly	Analysis of IPOP discourse: core arguments, discourse consonance, perspective of anti-monopoly law (see Annex I)	
2.	Analysing materials of ISPO Stakeholder Meeting held by Coordinating Ministry of Economy	Notes (see report)	
3.	Attending FGD on Moratorium organized by Kemitraan and Walhi (May 25)	Notes (see report)	
4.	Attending Joint Symposium on Peatland Restoration and Fire Prevention organized by BRG (May 30)	Notes (see report)	
5.	Communication with partners and the Coalition on PIPPIB Revision X	PIPIB Revision X disseminated to Coalition and RFN Partners. Each organization was asked to conduct and share their analysis via email	CSO discussion on moratorium
6.	CSO discussion on IPOP and ISPO organized by SPKS	Notes (see report)	Follow-up meeting in Sawit Watch office
7.	Following news on REDD+, IPOP, moratorium, BRG	News database	
8.	Editing Press Release (involving RFN Partners) and Press Conference on PP Gambut Revision	Paradisea (Esau) got a quote in the Coalition's press release regarding critical condition of peatland in Papua	

		Press Conference held on May 31. It's picked up in Kompas, June 2.	
9.	Preparing report		

B. Developments on REDD+ Implementation

r. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

No new developments yet.

s. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

- KLHK is preparing a revision of Law No. 32 year 2009 on Environment Protection and Management to strengthen peat land protection. The draft has not been circulated since it is still being discussed internally.
- Draft Presidential Instruction on Moratorium of Palm Oil and Mining License is currently being discussed in the Coordinating Ministry of Economy. The draft is not circulated.
- According to the statement of Secretary General in Joint Symposium held by BRG, KLHK will issue a Ministerial Regulation regarding Governance of Primary Forest, Peat Land, and Unproductive Land that Have Not Been Burdened with Rights. The Directorate General of Planology in FGD on Moratorium held by Kemitraan and YPB stated that they will allocate forest under the moratorium to be managed by communities. This is because in reality some primary forests located in protected and even conservation area have been converted into settlement and agriculture by communities, which is illegal according to Forestry Law and Conservation Law.

t. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

License review.

- According to Directorate General of Planology, 61 proposals for forest area relinquishment from palm oil companies have been turned down with the total area of 851,000 hectares. There will be a second round of review process. The names and locations of the 61 companies are not released.
- Related to moratorium of palm oil and mining, KLHK is currently evaluating proposals for palm oil licenses. There are four objects of the evaluation: 1) proposal for forest area relinquishment for palm oil, 2) in-principle permit (izin prinsip), 3) permit that has been demarcated (tata batas), 4) permits that have been granted but are not operational yet (land banking). KLHK stated that Papua and Aceh are the focus (so that the forest area is not turned into non-forest area). This is good news. There is hope that proposals for forest area relinquishment by PT CCP and MMP in Sorong, which have been/are being demarcated, might be

turned down. CSOs, including Paradisea, has sent a letter to KLHK rejecting the proposal. However, KLHK excludes moratorium for oil and gas as reflected in Directorate of Planology's statement that the Ministry will expedite borrow-use license for oil and gas. At this point, pressure/input from CSOs to KLHK regarding conflicting palm oil license will be very useful.

Progress of BRG.

- BRG has signed an MoU with Hokkaido and Kyoto University on Peatland Restoration on May 30. The focus area will be in Riau.
- State funding for BRG has been approved. There is also funding from the interim phase of LoI (according to a friend in UNDP), but there are worries regarding budget absorption if restoration team at the regional level is weak. Currently, BRG has received US\$ 130 million from donors, including Norway, US, UK, Japan, and Germany.
- BRG is developing peatland restoration map with KLHK, Bappenas, and BIG, currently at verification stage. This year's target: map for four districts: Pulang Pisau in Central Kalimantan, Musi Banyuasin and Ogan Komering Ilir in South Sumatera, and Kepulauan Meranti in Riau is finished.

Revision of PP Gambut

- CSO letter regarding PP Gambut revision to Kemenhukham was sent on May 30 by Greenpeace as the representative of Coalition. In the end, the demand was endorsed by 20 organizations, including Paradisea, YMP, and KKI-Warsi. RFN Partners are in the loop in this process.
- Secretary General of KLHK, Bambang Hendroyono stated that the revised PP Gambut will probably be signed by the President on June.
- Press Conference by Coalition (hosted by Greenpeace) was held on May 31 featuring Greenpeace and ICEL as spokespersons. An RFN partner (Paradisea) got a quote in the national press release. Keeping RFN Partners in the loop of Coalition's advocacy has been fruitful in strengthening the content of Coalition's advocacy. But the network is still incomplete because Walhi's network (Jaringan Masyarakat Pengelola Gambut) is still missing.

RTRWP of Papua Barat

- Information from Paradisea: peatland in RTRWP Papua Barat 2012-2032 reaches 1 million hectares, most of which (800,000 hectares) is included in cultivation zone. Besides, approximately 9 million hectares of forest area in Papua Barat is threatened by RTRWP revision. Paradisea demands revision of spatial planning in Papua Barat province.

Moratorium

- KLHK launched the tenth revision of Indicative Map of Moratorium (PIPIB X) on May 25.
- The current moratorium map covers a total area of **65.277.819 hectares** of primary forests and peatland (56.3 million hectares of primary forests and 8.4 million hectares of peatland). The moratorium area was increased by approximately **191.716 hectares** from the last revision (November 2015).

- However, verification on the ground shows that out of the 8.4 million hectares of peatland in PIPPIB, peatland that still has forests is only 4.6 million hectares. The rest has been converted to timber plantation, plantation, settlement, agriculture, and bushes (Kompas, May 26)
- Meanwhile, out of 56.3 million hectares of primary forests in PIPPIB, actual forest cover is only 46.6 million hectares. The biggest land use change occurs due to agriculture (3.2 million hectares and bushes 3.5 million hectares). (Kompas, May 26).
- Land use change inside PIPPIB occurs in conservation forest, that is supposed to be protected by the Law. According to Directorate General of Planology, San Afri Awang, actions to address this will be regulated in a **Minister Regulation on Governance of Primary Forests, Peatland, and Unproductive Area that are Not Burdened with Rights**. According to statement from Secretary General of the Directorate, primary forests in moratorium area that have not been burdened with license will be allocated for communities.
- According to Yuyu Rahayu, Secretary General of Directory of Planology, the status of primary forests under moratorium that are not yet protected by regulations (for example, forests located in production forest, permanent production forest, and convertible production forest) with the size of 8,221,597 hectares will be enhanced into protected forest. But this process is still in conception and must be consulted to various stakeholders. (This is in line with Coalition's demand since the first inception of the moratorium in 2011 because moratorium is not a law, but a temporary policy).

CSO's demands on moratorium

Indonesian civil society demands moratorium on conversion, not just on licensing. Moratorium on new issuance of licenses will not lead to real emission reductions because conversion continues to occur on the ground due to exclusion of existing licenses, including their extension. Below are several points demanded by several civil society organizations, which were conveyed in an FGD on Saving Forests and Reducing Emissions through Moratorium on Licenses held by Kemitraan and Yayasan Perspektif Baru on May 25:

- Moratorium should aim at stopping conversion of natural forests (including intact secondary forests) and peat land. Therefore, the scope of moratorium must be expanded to include 42.8 million hectares of intact secondary forests currently excluded.
- - Existing licenses in natural forests and peat land must be reviewed and no longer extended.
- The target of 12.7 million hectares of forest for community must be immediately fulfilled.
- The government must develop a clear action plan to finish governance reform tasks under the moratorium period with involvement of civil society, including clear indicators, timeframe, and persons in charge.
- The government must take actions regarding violation of moratorium policy and legal actions against environmental crimes.
- The government must promote transparency and participation of civil society and local communities to monitor the implementation of moratorium. The government should set up an information platform where information regarding moratorium implementation, PIPPIB revision, governance reform progress, and violations of moratorium, including actions taken against them are published. The web platform should also be a channel for civil society and communities to submit inputs regarding PIPPIB revision and to report violations of moratorium on the ground.
- Consolidation of the Coalition regarding moratorium proved to be difficult because no organization has moratorium program/focus anymore. The initial draft I made on moratorium evaluation did not go anywhere due to lack of data

regarding moratorium implementation on the ground. Kemitraan used last year research together with Walhi, which records issuance of licenses in the period of moratorium (but Walhi did not even attend the FGD). Perhaps RFN Partners at the regional level can be empowered to monitor moratorium implementation on the ground since it is an important deliverable under the Lol. However, the common platform of Coalition made in 2011 is still relevant as a demand to the government. It just needs to be complemented with data from the ground regarding issuance of licenses, land clearance, and actual condition of area under moratorium.

u. General developments of sectors related to drivers of deforestation, such as the palm oil sector

IPOP and ISPO

- **Stakeholder meeting.** The Coordinating Ministry of Economy (Kemenco) and Ministry of Agriculture (Kementan) want ISPO to be the one and only standard regarding palm oil sustainability in Indonesia. Kemenco organized a stakeholder meeting on May 24 to strengthen ISPO and discuss IPOP controversy (unfortunately the invitees were very limited. CSOs invited were only CIFOR, Greenpeace, TNC, WRI, JPIK, WWF, and ICEL). Greenpeace shared the materials with the Coalition.
- **Principles.** ISPO has 7 principles: 1) legality of plantation business, 2) plantation management, 3) protection of the use of primary natural forest and peatland (basically, the moratorium), 4) environmental management and monitoring, 5) responsibility towards workers, 6) social responsibility and empowerment of economy of the community, 7) sustainable business improvement. ISPO is mandatory for plantation and mill business, plantation without mill, mill without plantation, and voluntary for smallholders (both independent and plasma). There is a separate criteria for plantation producing CPO for biodiesel and for them ISPO is voluntary.
- **Sanction.** If companies do not implement ISPO, they will be given 3 warnings each with a timespan of 4 months leading to suspension of plantation business license (IUP) and land use rights (HGU).
- **Certification system.** ISPO certification system is similar to that of RSPO. Certification is conducted by a Certification Body accredited by the National Accreditation Committee and approved by ISPO Commission. There are 11 CBs and 900 auditors, 4 consulting agencies and 1 organization accredited.
- **Target.** Sustainable CPO production is targeted to reach 70% in 2020. Currently, 149 ISPO certificates have been issued with total land size of 1,160,908.69 Ha with total production of 5,448,443.97 tons.
- **Peatland.** According to APKASINDO, there is a potential for regulation conflict regarding peatland. ISPO refers to Regulation of Minister of Agriculture (Permentan), which allows planting on peatland with thickness less than 3 meters with water level 60-80 cm). Meanwhile in PP Gambut, the water level must be 40 cm (APHI tries to strike this in the revision). KLHK's Circular Letter further temporarily bans peatland clearance. Circular Letter, however, is not a law and its violation cannot be punished legally. There is no monitoring system for its enforcement either. Therefore, the legal regime on peatland will rely on PP Gambut, which revision is underway.
- **HCV.** HCV was regulated in Permentan 19/2011 on ISPO but it is lost in the new Permentan 11/2015, which leads to a question on abandoned land. Will HCV be considered land abandonment?
- **HCS.** HCS is one of the points of contention in IPOP. ISPO does not acknowledge HCS. But, for palm oil plantation producing CPO for bioenergy (biodiesel), EU Directive 2009 applies, which contains HCS, biodiversity and peat clause (no planting on HCS, peat, and area with high biodiversity since January 2008).
- From where I see it, IPOP controversy can open a room to push for raising the ISPO standard to also acknowledge HCS criteria. This will be an uphill battle but as IPOP signatories have shown, it could be

accepted as long as there is a strong demand from the market. Indonesian government must be lobbied continuously so that they finally accept the higher standard.

- **CSO meeting on palm oil and mining moratorium.** CSOs hosted by SPKS held a meeting on May 30 to discuss IPOP and ISPO. The goal is to develop a common platform on palm oil and mining moratorium. The first phase is identifying strategy of each organization:

Organization	
FWI	Focus on ISPO advocacy
SPKS	Focus on independent smallholders, pushing heads of district, support ministry of agriculture
Greenpeace	Strengthening IPOP for members, pushing compliance with ISPO
SW	Active in RSPO, not yet active in ISPO, attention to ISPO is more about workers and conflict, current focus on palm oil moratorium and review of licenses

Points from the meeting are:

- CSO must develop a common platform on palm oil and mining moratorium (joint briefing paper and press conference)
 - Palm oil moratorium cannot be implemented without the support of private sector.
 - CSOs must use ISPO to further sustainability cause and must also support and monitor IPOP implementation. Must also push improvement of ISPO.
 - Can promote joint certification with RSPO,
 - Should map STDB (plantation permit for smallholders),
 - Promote increase of productivity instead of expansion,
 - Must go beyond tracability,
 - Monitoring and review of license,
 - Promote incentives for smallholders.
 - Watch out for threats from biofuel
 - The meeting will be followed up with a meeting hosted by Sawit Watch.
- v. *the coverage of REDD+ in selected Indonesian media and assess if these are effective and accurate channels for distributing information on the development of REDD+ in Indonesia***
- REDD+-related coverage in the last two weeks focuses on BRG and moratorium on palm oil and mining licenses. No news with REDD+ phrase in it.
- w. *Partner's Focus: Promoting MoU between Central Government and Fak-Fak District on REDD+***
- Paradisea wants to promote MoU between Fak-Fak District Government and the Central Government on REDD+ Implementation and I am currently looking for information about how to do it.

C. Tentative Plan for June 2016

- Partner meeting
- Developing Coalition's common platform on palm oil and mining moratorium

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Annex I

Analysis of Media Discourse on IPOP

- Summary of IPOP polemic in the media:
 - o Since its inception in September 2014, IPOP has been a target of fierce media ‘attack,’ mainly featuring the Director General of Plantation of the Ministry of Agriculture, APKASINDO, and GAPKI.
 - o In June 2015, IPOP sent a letter to KPPU requesting the Commission to conduct a review regarding whether or not it had the potential to violate Indonesian laws. KPPU’s review concluded that IPOP has the potential to become a cartel, which is in violation of Indonesian laws (Anti-Monopoly Law). IPOP since then has taken measures to avoid cartel potential as per KPPU’s recommendations. KPPU then sent a recommendation letter to President Jokowi to dissolve IPOP management and ban its implementation. Currently, KPPU has increased the status of examination from assessment/review to investigation. KPPU will decide whether IPOP violates the Anti-Monopoly Law and can take actions according to the Law, including order a suspension of practices that are deemed as monopoly and creating unhealthy business competition, impose a fine and even imprisonment.
 - o Directorate General of Plantation of the Ministry of Agriculture repeatedly stated that it will issue a regulation to ban IPOP implementation (dissolve IPOP management) using KPPU’s review as a basis. But it later stated that the decision regarding IPOP’s existence will be determined by KLHK because it pertains to sustainability issue, which is under KLHK’s purview. KLHK stated that it is not in the position to ban IPOP, but it will conduct a review regarding the substance with the help of expert panel (WWF,). There is information that the result is already completed, but it is not in circulation yet. On May 24, Coordinating Ministry of Economy held a stakeholder meeting to develop a road map to make ISPO the only standard for palm oil production in Indonesia, involving IPOP signatories, consumers (Unilever), and international environmental NGOs.
- Media discourse analysis allows us to map actors and their core arguments and possibly relations between actors from their discourse consonance
- Main actors in media polemic regarding IPOP are as follows:
 - o Against IPOP:
 - State Agencies**
 - Ministry of Agriculture (represented by Amran Sulaiman, Minister, and Gamal Nasir, Director General of Plantation)
 - Supervisory Commission on Business Competition (KPPU), represented by Syarkawi Rauf (Head of KPPU)
 - Coordinating Ministry of Politics, Laws, and Security, represented by Luhut Panjaitan, the Minister
 - House of Representative Commission IV Hamdhani (National Democratic Party)
 - Palm Oil Business**
 - Indonesian Palm Oil Farmers Association (APKASINDO), represented by Asmar Arsyad, Secretary General
 - Indonesian Palm Oil Business Union (GAPKI), represented by several members, including Sabri Basyah (GAPKI Aceh/PT Mopoli Group), Timbas Ginting (GAPKI North Sumatera)

- PT. Sawit Sumbermas Sarana, Tbk., represented by Sunggu Situmorang

News Agencies

- Aat Surya Syafaat, News Director of ANTARA, the National News Agency
 - Khudori, Expert Working Group on Food Security
- Defending IPOP:
 - Nurdiana Darus, IPOP Executive Director
 - Freddy Wijaya, Director of Asian Agri
 - Ibrahim Senen, IPOP's attorney
 - Darto, SPKS
 - KLHK's special position:
 - KLHK (Director General of Planology, San Afri Awang) stated that IPOP is "discriminative" and will likely be detrimental to smallholders, but
 - KLHK is not in the position to dissolve or ban IPOP
 - KLHK is in the position to ensure that the parties that have stated their commitments fulfill their pledge (which is good!)
 - KLHK will attempt to improve the standards so that smallholders can play a greater role with SVLK as model
 - San Afri Awang stated that IPOP signatories will be punished twice as hard if they violate their pledge (including if the companies propose for forest area relinquishment).

No.	Discourse against IPOP	Discourse in defense of IPOP
1	<p>Ministry of Agriculture (Amran Sulaiman, Minister):</p> <ul style="list-style-type: none"> - Indonesia does not need other sustainability standards other than IPOP - ISPO is currently promoted to become internationally-recognized standard, together with MSPO - Black campaign against palm oil must stop because there are 16 millions of people that are directly dependent and 30 millions that are indirectly dependent on palm oil industry 	<p>Executive Director of IPOP (Nurdiana Darus)</p> <ul style="list-style-type: none"> - IPOP is not meant as a cartel; it only has the potential to be one. - IPOP companies are committed to keep buying from smallholders
2	<p>Ministry of Agriculture (Gamal Nasir, Directorate General of Plantation):</p> <ul style="list-style-type: none"> - IPOP has killed smallholders (cases of FFB rejection occurred in Aceh, Jami, and West Kalimantan) - Potential loss of smallholders' income is 28-42 million/year/household - IPOP violates Indonesian laws and regulation because of its zero deforestation, no peat, and HCS policy 	<p>Director of Asian Agri (Franky Widjaja)</p> <ul style="list-style-type: none"> - IPOP is never meant to become a cartel - It was established as a response to global palm oil market - US and European market also use CPO from China and India so all the markets are linked - IPOP does not depreciate price form smallholders. FFBs from smallholders are always bought at government-set price, which is Rp 1,750-1,800/kg

	<ul style="list-style-type: none"> - The government will definitely ban IPOP - The banning will be coordinated by Coordinating Ministry of Economy (Kemenko) - 	<ul style="list-style-type: none"> - Private share of palm oil industry is only 51%
3	<p>Commission IV, House of Representatives, Hamdhani (National Democratic Party):</p> <ul style="list-style-type: none"> - The government must ban IPOP because it is detrimental to smallholders and can create social conflict 	<p>Ibrahim Senen (IPOP's attorney):</p> <ul style="list-style-type: none"> - IPOP signatories did not mean to create a standardization. Each IPOP member has their own sustainability commitment -
4	<p>KPPU (Syarkawi Rauf):</p> <ul style="list-style-type: none"> - KPPU is currently investigating IPOP for cartel potential (the status was increased from review/assessment to investigation) <p>10 points of review results:</p> <ul style="list-style-type: none"> - IPOP is an agreement between business actors that creates impacts for other parties - The substance is good, which is to anticipate global demands (of sustainability) - The substance is not compatible with Indonesian regulations (ISPO) - All aspects in IPOP have been regulated in ISPO - Parties (suppliers) that have complied with Indonesian regulations (ISPO) can still be deemed non-compliant by IPOP standard - IPOP impacts on business competition - IPOP constitutes business agreement, which position is higher than Indonesian regulations - IPOP acts like a cartel and hampers entry to business for IPOP partners (FFB suppliers can no longer sell their FFBs to IPOP signatories or they can sell but with lower price) - IPOP has no legal basis because it is not a regulation (only business agreement) - IPOP violates Law No. 5 year 1999 on anti-monopoly 	<p>SPKS (Mansuetus Darto)</p> <ul style="list-style-type: none"> - IPOP is not detrimental to smallholders. - FFBs were rejected because the volume exceeded the quota - Smallholders have the same commitment to take care forests and the environment, including peat land - Smallholders are also victims of unsustainable palm oil practices and forest and land fire last year - The banning of IPOP is counterproductive to the government's emission reduction target - Productivity can be increased by intensification and implementation of good agricultural practices
5	<p>APKASINDO:</p> <ul style="list-style-type: none"> - The government must immediately ban IPOP because it is detrimental to smallholders and depresses the price of FFBs - FFBs from smallholders are often rejected by mills because they are deemed non-compliant with IPOP standard. Eventually, the price becomes lower. - FFBs from Aceh dan Padang Lawas (North Sumatera) cannot be sold to Wilmar anymore. Farmers eventually sold the FFBs to smaller mills but with lower price. 	

	<ul style="list-style-type: none"> - IPOP especially is detrimental to non-plasma smallholders that currently have a total of 3,5 million hectares of palm oil plantation (plasma farmers have 700,000 hectares) - Before enforcing any high standard, the government must finish spatial planning (RTRW) - Indonesia must stop export to US and Europe and focus to China and India instead 	
6	<p>GAPKI:</p> <ul style="list-style-type: none"> - 70% of CPO in Indonesia is controlled by six companies that are members of IPOP - Certification by companies that control the market is potentially a deviation - IPOP implementation since 2014 has depressed price by 10-15% - Any standardization of production process must be determined by the government, not private sector 	
7	<p>PT. Sawit Sumbermas Sarana</p> <ul style="list-style-type: none"> - Claims to be one of the victims of IPOP - The government must ban IPOP and enforce ISPO as a single standard 	
8	<p>Aat Surya Syafaat (Director of ANTARA News)</p> <ul style="list-style-type: none"> - No deforestation policy violates Indonesian regulation. - HCS also violates Indonesian regulation. Forestry Law does not recognize HCS criteria. - No peat also violates Indonesian regulations that still allow palm oil to be planted on peat not more than 3 meters (he seems to be forgetting about peat moratorium, but then again, moratorium is a policy, not law) - IPOP is commanded by US and Norway government - Western countries use sustainability to stop palm oil expansion and render it uncompetitive in the global market - 80% of CPO trade in Indonesia is controlled by IPOP signatories (according to Asian Agri, only 51%) 	
9	<p>Khudori:</p> <ul style="list-style-type: none"> - IPOP violates the anti-monopoly law and has the potential to distort the market - IPOP has no legal basis, it is not a regulation 	

	<ul style="list-style-type: none"> - IPOP signatories control 70% of palm oil market - IPOP and ISPO have fundamental differences: ISPO uses HCFV, IPOP uses HCS, which is a higher standard - No one should intervene Indonesian policy, including international institutions and NGO - IPOP, which was facilitated by the US, was a form of proxy war and neoimperialism (sorry, but I really think this is so stupid. I can't believe I referenced him a lot in my undergrad thesis- ANGGI!) - IPOP implementation creates unhealthy business competition - IPOP implementation will create social tension and poverty in 190 districts 	
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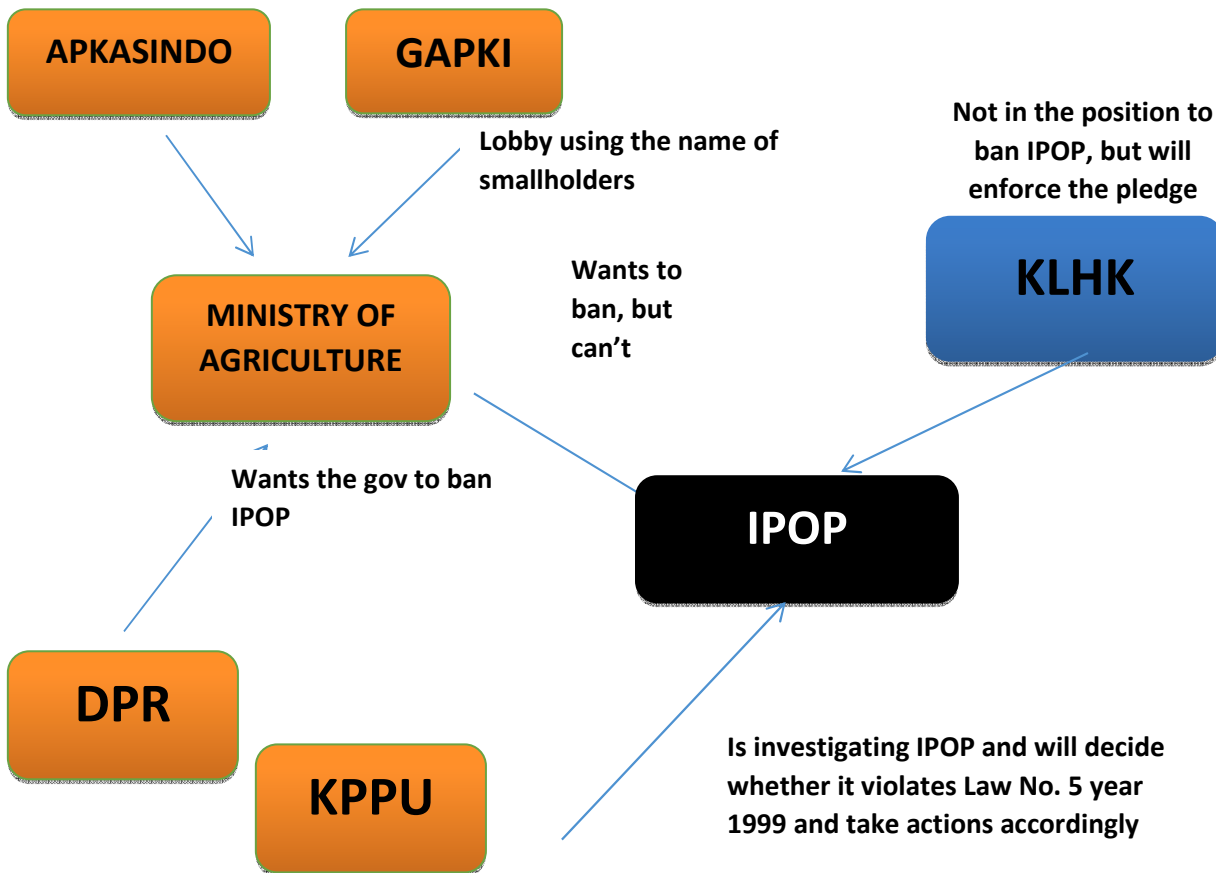
Analysis:

- Discourse against IPOP centers on the following arguments:
 - o **Real concerns** - Concerns about smallholders (especially non-plasma farmers) and medium-scale companies who can no longer sell their FFBs to IPOP signatories and must then sell them to smaller mills with lower price. The voice of the victims mostly came from medium-scale companies such as PT Mopoli and PT SSS who used to have contracts with Wilmar.
 - Response from IPOP: IPOP signatories stated that they are still committed to buy from smallholders and are focused on empowering them. If the statement is true and implemented on the ground, then medium-scale companies in the regions amplified by GAPKI and APKASINDO are using smallholders to justify their victimization.
 - o **Legal concerns:**
 - IPOP being a higher standard regarding environmental protection. Actually, there is no law in Indonesia prohibiting companies from having a higher environmental standard. From where I see it, the problem arises because the sustainability commitments of IPOP signatories are no longer individual in nature. **Common sustainability commitments among IPOP signatories are in this case perceived by KPPU as a "business agreement,"** which impacts on other business actors (FFB suppliers). Worse come to worse, even if IPOP as an entity (platform) is banned, the government cannot forbid business actors to apply their individual sustainability commitment on the grounds that it is higher than Indonesian standard.
 - Substantially, the 'problematic' criteria are no peat, no deforestation, and high carbon stock (HCS). For the first criteria (no peat policy), the moratorium that prohibits issuance of new licenses and clearance of peat serves as a temporary legal basis. No deforestation policy is actually applauded and sought by the government at the policy level and is partially covered in the moratorium (new issuance on primary forests). But Indonesian laws and regulations have not prohibited land clearing on forest area as long as the area that has been relinquished into APL. Meanwhile, HCS criteria has not been recognized in Indonesian law.
 - o **"Master narrative"**
 - Nationalism and sovereignty. Actors that are promoting higher sustainability standards are portrayed as foreign agents and anti-nationalistic. Palm oil industry is portrayed as

national interest (strategic industry). The narrative is that the government must preserve Indonesian economic sovereignty.

- IPOP is portrayed as a trade measure of US and European Countries (Norway included) to protect their vegetable oil industry and weaken Indonesian palm oil competitiveness.
- NGOs that are advocating for IPOP or palm oil sustainability are portrayed as agents of US and Norway government.
- This master narrative works best for line ministries handling economic, trade, and foreign relations affairs such as Ministry of Agriculture, Coordinating Ministry of Economy, Coordinating Ministry of Politics, Law, and Security, and Ministry of Foreign Affairs. KLHK, however, with its consideration of the environment, may hold a different view regarding what constitutes national interests.

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- From their discourse consonance, we can see relations between several actors:



Anti-Monopoly Law (Law No. 5 year 1999)

No.	Law No. 5 year 1999	IPOP	Notes
	Monopoly: <ul style="list-style-type: none"> - Concentration of economic power (ability to control price) in the hands of one or more business players resulting in the control of production and or marketing of a certain good or service that creates unhealthy business competition (dishonest, against the law, obstructing business competition), which can be detrimental for public interests 	<ul style="list-style-type: none"> - Can IPOP companies by their sheer production capacity control the price of FFBs at the smallholders level? - Are production and marketing methods of IPOP companies dishonest, against the law, and obstructing business competition? - Are the sustainability standards detrimental to public interests? 	<ul style="list-style-type: none"> - According to Asian Agri, the company buys FFBs from smallholders at government-set price - No data - No. On the contrary, the sustainability standards will improve health of the environment, which will improve the people's lives as a whole
	Forbidden agreement-Oligopoly: <ul style="list-style-type: none"> - If two or three business players control more than 75% of market share of a particular good or service 	<ul style="list-style-type: none"> - How much is share of IPOP signatories in terms of CPO production and trade? 	<ul style="list-style-type: none"> - According to Ministry of Agriculture, ANTARA, Khudori, 70%. But it does not constitute oligopoly because there are six companies controlling the 70% - According to Central Statistic Agency, in 2014, private estates produce 56.25% of CPO (16.5 million ton) while smallholders produce 36.41% or 10.68 million tons . But it does not reflect CPO trade share of IPOP signatories because IPOP signatories may source their FFBs from smallholders
	Cartel <ul style="list-style-type: none"> - business actors are prohibited from making agreements with their competitors to influence price by setting production and marketing, which causes 	<ul style="list-style-type: none"> - Does IPOP with its standards obstruct other business actors to conduct similar business 	<ul style="list-style-type: none"> - In defense of IPOP, IPOP establishment was not meant as an attempt to form a cartel since it was not meant to control the

	<p>monopoly and unhealthy competition</p> <ul style="list-style-type: none"> - business actors are prohibited from doing one or several activities both individually and together with other business actors, that cause monopoly practices and unhealthy business competition in the form of rejecting and or obstructing certain business actors to conduct similar business activities in the particular market 	<p>activities in the same market?-</p>	<p>price. But, IPOP establishment does indeed restrict some suppliers to sell their FFBS to IPOP signatories. KPPU's reasoning is that IPOP has obstructed new small and medium palm oil plantations from entering the market because of the high standard. We can reason that IPOP does not obstruct palm oil companies on the similar scale from entering the market by monopolizing CPO trade/production. Rejection of FFBS from some suppliers is due to application of particular technical standards required by the global market.</p>
	<p>Exceptions:</p> <ul style="list-style-type: none"> - action/agreement to implement laws and regulations - agreement to set technical standards for goods and services that do not constraint and or obstruct competition - agreement or action for export purposes that do not disturb domestic need and supply 		<ul style="list-style-type: none"> - with regards to no peat policy, it can be argued that IPOP is consistent with government policy of peat land moratorium. The same can be said for no deforestation policy. Both policies support Indonesia's emission reduction target from the forestry sector - with regards to HCS criteria, it can be argued that HCS is a technical standard for palm oil production necessary for the business to stay competitive in the global market. Whether or not it obstructs competition really depends on the

			<p>person's point of view.</p> <ul style="list-style-type: none">- IPOP implementation can help Indonesia to avoid 'race to the bottom' regarding environmental standards. Sustainability commitment should not be seen as monopoly practice.
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Annex II

PERATURAN PEMERINTAH

Perlindungan Gambut Dipertaruhkan

2 Juni 2016 0 komentar

JAKARTA, KOMPAS — Rencana pemerintah merevisi regulasi perlindungan dan pengelolaan gambut dikhawatirkan justru memperluas kerusakan ekosistem itu. Koalisi Masyarakat Sipil untuk Penyelamatan Hutan Indonesia dan Iklim Global mengingatkan Presiden Joko Widodo pada komitmen perlindungan gambut tersisa serta memulihkan jutaan hektar gambut yang rusak dan terbakar.

Revisi Peraturan Pemerintah Nomor 71 Tahun 2014 tentang Perlindungan dan Pengelolaan Ekosistem Gambut dalam tahap harmonisasi. Koalisi Masyarakat Sipil khawatir pada isi draf final karena enam bulan terakhir tidak dilibatkan membahas.

Yuyun Indradi, pengampanye hutan Greenpeace Indonesia, Selasa (31/5), di Jakarta, mengatakan, sejak isu revisi PP Gambut menguat, muncul usulan melemahkan. Tinggi muka air gambut dari minimal 40 cm diperlebar jadi 80 cm dan menghilangkan kriteria gambut sedalam minimal 3 meter untuk dilindungi.

Perlindungan gambut sedalam 3 meter merupakan komitmen dan konsekuensi Indonesia meratifikasi Konvensi Keanekaragaman Hayati. "Pembatasan tinggi minimal air muka gambut sangat penting untuk menjaga gambut tak mudah terbakar," ujarnya.

Koalisi mengingatkan Presiden akan komitmen politik saat "blusukan asap" November 2014 di Sungai Thohor, Kepulauan Meranti, Riau. Saat itu, Presiden menekankan perlunya peninjauan ulang perizinan, penghentian perizinan di gambut, dan penyekatan kanal untuk restorasi.

Christian Bob Purba, Direktur Forest Watch Indonesia, menuturkan, perintah restorasi perlu jadi acuan utama mengatasi ketelanjuran pemberian izin/pemanfaatan lahan gambut. Selama 2009-2013, seluas 1,1 juta hektar gambut rusak.

Terkait revisi PP Gambut, Sekretaris Jenderal Kementerian Lingkungan Hidup dan Kehutanan Bambang Hendroyono menyebutkan akan memperkuat cara "pencegahan" kerusakan gambut, termasuk akibat kebakaran.

"Dengan penyiapan regulasi teknis, pengembangan sistem deteksi dini, penguatan kelembagaan pemerintah, ketahanan masyarakat, dan penegakan hukum," lanjutnya. (ICH)

Versi cetak artikel ini terbit di harian Kompas edisi 2 Juni 2016, di halaman 14 dengan judul "Perlindungan Gambut Dipertaruhkan".

Monthly Report

REDD+ Local Consultant for Rainforest Foundation Norway

June 2016

by

Anggalia Putri Permatasari

In this report:

- List of activities
- REDD+ Funding Instrumet as a part of RPP IELH (Economic Instrument of the Environment)
- UNFCCC Preparation
- Progress of BRG/BRG Social Safeguards Guidelines
- Revision of PP Gambut
- IPOP's Dissolution
- RFN Partner Seminar

A. Activities

Activities in the period of May 15-31:

No.	Activity	Output	Follow-Up
1.	Translating the Coalition's Demands on PP Gambut and PP Gambut release	English version of the Coalition's Demands on PP Gambut and PP Gambut Press Release	
2.	Following FCPF-Indonesian ERPIN development	ERPIN status and latest document	Keep an eye out on the process of ERPD development in East Kalimantan following the approval of Indonsian ERPIN
3.	Attending UNDP Climate Change Dialogue	Notes (see report)	

4.	RFN Partner Seminar/Meetings	Improved knowledge on RFN Klima partners and their programs in Indonesia	Keep close communication with RFN partners
5.	Coalition Meeting: Follow up of Coalition's meeting with Kantor Staff Presiden (Presidential Staff Office) to discuss the development of risk analysis matrix recommended by KSP	General points on analysis	Develop a full matrix of analysis (together)
6.	Composing the first draft of risk analysis matrix elaborating the Coalition's core arguments on PP Gambut	Draft 0	It has been disseminated to Coalition members to comment on and finalize
7.	Studying RPP (Draft Government Regulation) on Economic Instrument for the Environment (RPP Instrument Ekonomi Lingkungan Hidup/IELH), which is an umbrella for REDD+ funding instrument	Summary	Information has been disseminated to partners
8.	Studying Social Safeguards Guidelines for Peat Restoration developed by BRG	Notes/Summary	
9.	Preparing report		

B. Developments on REDD+ Implementation

- x. ***Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia***

REDD+ Funding Instrument (as a part of Economic Instrument of the Environment/IELH)

- As informed earlier, the government of Indonesia need to have a legal 'hook' to establish REDD+ Funding Instrument, specifically one which title has been included in the agenda of the House of Representatives this year. Therefore, REDD+ Funding Instrument is put as a part of the larger Government Regulation Draft under the name 'Economic Instrument for the Environment' or 'Instrumen Ekonomi Lingkungan Hidup,' which covers quite a large ground.

- The government has developed and invited civil society to comment on Draft Government Regulation on Economic Instrument of the Environment (RPP IELH) on June 15. One of the core matters the RPP addresses is **environmental fund** (pendanaan lingkungan), which becomes the entry point for REDD+ Funding Instrument establishment. The scope of the RPP is quite vast. The relevant issues for REDD+ are among others includes regulation on payment for environmental services (PES), conservation trust fund, and environment guarantee and restoration fund.
- In the RPP, carbon sequestration and storage (REDD+ included) is categorized as one of the environmental services that can be compensated and paid for. Meanwhile, environmental fund consists of three categories: 1) guarantee fund to restore the environment, 2) fund to address pollution and/or environmental damage, 3) trust fund/conservation fund. Climate change mitigation and adaptation is mentioned as a category that can be funded through no 2) and no 3). Carbon trading is also explicitly mentioned in this RPP as one of the legitimate sources to raise fund for conservation/climate change adaptation and mitigation, including REDD+.
- This RPP becomes the legal basis for the government to set up a funding instrument for the environment (as indicated by KLHK in the Indonesian REDD+ Day) and make REDD+ a sub-part of it, perhaps in the form of a funding window. The body/agency that will manage the fund is regulated in Article 55, which will be in the form of BLU as elaborated in the previous report. The governance structure, work relation, and financial rights of such institution will be regulated in a Presidential Regulation (**Perpres**). Therefore, we can expect the establishment of Environmental Fund through a Perpres soon, which will included REDD+ as one of its funding windows. The initiative will likely be led by KLHK and the Ministry of Finance, which must involve the Norwegian Embassy at some point. It is important to stress civil society participation in the process of Perpres development.

- UNFCCC

- Indonesia has initiated the preparation of the 3rd Natcom (National Communication) to be submitted at the end of 2016 and Biennial Update Report (BUR) to be submitted at the end of 2017, which will include progress on Safeguards Information System implementation and environmental, social, and economic impacts from the implementation of mitigation and adaptation policies.⁸ KLHK stated that the process will be made as transparent as possible.⁹ According to Walhi that attended a public consultation for the next COP in Marrakesh, KLHK did not share the documents to the public for comment/review. It will be interesting to see what the Government puts in the report regarding the implementation of safeguards information system in the REDD+. Documents to watch: RPJMN (revised regularly by Bappenas), NDC (KLHK), revised RAN-GRK, RAD-GRK (at the provincial and district level), BUR (KLHK), Third National Communication (KLHK).

⁸ <http://ditjenppi.menlhk.go.id/kerjasama/third-national-communication-to-the-united-nations-framework-convention-on-climate-change-tnc>

⁹ <http://ditjenppi.menlhk.go.id/berita-ppi/2683>

- y. ***Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office***
- No new updates yet.

- z. ***Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut***

Revision of PP Gambut

- Following the Coalition's submission to the Ministry of Law and Human Rights regarding PP Gambut revision, Kantor Staf Presiden (the Presidential Staff Office) invited the Coalition to further discuss the content of the inputs. KSP promised that they would try to get the latest draft revision of PP Gambut, but until today, there is no follow up on that. KSP also recommended that the Coalition elaborate on their arguments and develop a matrix containing risk analysis for each argument.

- Following KSP's recommendations, the Coalition held a follow-up meeting in Epistema's office on June 22 (attended by Warsi, Epistema, and me). With an addition of insight and perspectives from a local NGO (Warsi), the discussion became richer and it seemed to us that the previous Coalition's inputs regarding PP Gambut revision has not properly addressed the problem of space injustice (*ketidakadilan ruang*) faced by most communities on peat land. Therefore, the updated Coalition's demands reflects that by among others opening up a discussion on the issue of traditional use of fire to open land, which is totally banned and criminalized in the current PP. In the field, according to Warsi, there are still many communities that use fire in a traditional way (with traditional safeguards and rituals) that could be criminalized and lose their management space if the provision does not provide further specifications on local wisdom. The draft 0 of the risk analysis matrix has been circulated to the Coalition members to comment on (but as usual, it's a very slow process and no one has commented so far). The document can be seen in Annex I.

Progress of BRG

Social Safeguards Guidelines for Peat Restoration (summary)

- BRG has developed a social safeguards guidelines to be used in the implementation of peat restoration in 7 provinces. The guidelines must be implemented by any implementing body that

conducts peat restoration. The guidelines have been consulted with civil society (including some RFN partners like Warsi).

- The safeguards have not been (or are not going to-it's not clear yet) translated into specific criteria and indicators like, for example, PRISAI. It however, contains specific measures and stages that have to be undertaken by any implementing agency before implementing peat restoration project.
- The basic principles of the safeguards are that peat restoration will be based on participation of local community and that it will not eliminate rights, reduce access, or create loss for communities that live around the restoration project.
- The safeguards explicitly adopts a rights-based approach. It means that it recognizes the application of national and international human rights law, including their norms, principles, standards, and objectives. This is pretty advanced compared to other safeguards, including PRISAI, that does not explicitly mention the rights-based approach.
- FPIC is explicitly recognized and operationalized into concrete measures.
- The guidelines are limited to safeguards implementation at the project level. It covers the following activities: 1) construction activities pertaining to restoration and handling of land and forest fire (e.g canal blocking, construction of wells, etc), 2) rehabilitation of ecosystem, including revegetation of peat land, 3) establishment of peat village area, 4) development of village household economy/alternative livelihood schemes.
- Important elements such as tenurial system, community representative system, social and economic conditions, local culture, information, identification or analysis of potential impacts of the project and mitigation and restoration measures that must be taken, and complaint mechanism have been addressed by this safeguards guidelines.
- There are three stages that must be implemented by a project implementer before they can start the project, namely: 1) social mapping, 2) FPIC, and 3) monitoring.
- First, in the social mapping stage, the following will be identified: 1) the presence of communities (village communities or IPs) around the project location, 2) local institutions, formal and informal, 3) actor and gender analysis, 4) tenurial mapping, 5) social and economic condition. The guidelines to conduct these measures are quite detailed. One can just hope that it is really implemented on the ground because it can take a while.
- Second, in the FPIC stage, the project implementer must obtain FPIC from the community in a written form. Examples of subjects that may have to be negotiated are location and technology of canal construction (and other facilities), option of vegetations and planting technology, forms of peat utilization in the designated function (important), forms of household economic activities that can be developed, forms of legality of rights, access, and partnership (very important), and conflict resolution.
- Third is monitoring stage, which consists of two phases: during the project period and in the period of 90 days after the project is completed. BRG will receive reports or complaints from the communities and it will conduct verification and resolution.
- Warsi thinks that the format or sequence of the safeguards guidelines is a little 'weird' perhaps because it is not developed into a set of principles, criteria, and indicators that can directly be checked against practice on the ground. However, the set of rights recognized under this guidelines is very broad because it refers to the national and international human rights law so it might be a good thing that it does not specify which rights will be upheld in the form of principles or criteria such as PRISAI or Cancun.

Indicative Map of Peat Restoration

- BRG has developed an indicative map of peat restoration where it will work and has had a public comment period until June 30. BRG classifies peat land into four categories: 1) peat that needs to be rehabilitated (without the need to be rewetted), 2) peat that will be proposed to be included in the moratorium (both in concession area and outside concession area), 3) peat that is well-managed, 4) priority for restoration (heavy degradation, over-drainage, and repeated fire). However, according to Diki from Warsi, from BRG's classification, most of well-managed peat is located inside large companies' concession.
- The map is very technical and it has been disseminated to RFN partners who want to submit an input.

aa. General developments of sectors related to drivers of deforestation, such as the palm oil sector

IPOP and ISPO

- According to perkebunannews.com, on Wednesday (29 June), six companies united in IPOP declared that they were dissolving IPOP. The declaration was made in the office of Directorate General of Plantation, Gamal Nasir, who has been the main voice in the media demanding of IPOP's dissolve.
- The Main Commissioner of PT Wilmar Nabati Indonesia (Master Parulian Tumanggor) stated that IPOP was dissolved because it was in contradiction with the prevailing laws and regulations in Indonesia. They stated that they would commit to strengthen ISPO as the single palm oil sustainability standard in Indonesia.
- Present in the meeting: Joko Supriyono (PT Astra Agro Lestari Tbk), Freddy Widjaya Widjaya (PT Asian Agri), Agus Purnomo (Managing Director for Sustainability & Strategic Stakeholders Engagement di Golden Agri Resources (GAR).
- KPPU stated that ISPO can adopt IPOP standard so that it will be stronger. KPPU investigation regarding the alleged violation of Indonesian anti-monopoly by IPOP continues.
- What does it mean for our advocacy? IPOP's dissolution means that we have to engage individually with each company to push them to comply with their sustainability standard. Losing IPOP as a platform for discussion and performance monitoring may mean more work. However, the individual sustainability commitment of the companies still stand and common standards that they use (HCS, no peat, no deforestation) must continue to be promoted to various stakeholders until they are accepted formally by the government of Indonesia. IPOP's dissolution can be taken as a measure so save the sustainability standards themselves, which will still bring consequences to small and medium-scale companies who resist complying with the standards that they can't sell their FFBs to the companies. Without IPOP as a management entity or a consortium, they can't have any more excuse not to comply with the companies' individual sustainability standard.
- The challenge now is to continue the advocacy and campaign to strengthen ISPO as the government palm oil sustainability standard.

- the coverage of REDD+ in selected Indonesian media and assess if these are effective and accurate channels for distributing information on the development of REDD+ in Indonesia

Relevant news coverage in June consists of PP Gambut revision (Coalition's press release) and most of the news are related to BRG activities. There is no news regarding REDD+ architecture of developments of social forestry target achievement or progress of recognition of IP rights.

RFN Partner Seminar (key learnings)

- **Indonesian partners discussion.** This session on June 15 brought together RFN klima partners (Walhi Kalteng, Warsi, Paradisea, and PEREMPUAN AMAN) that presented each of their program. This session allowed me to know better RFN Klima partners, not just their programs but also their personality. Hopefully this will lead to improved communication and information sharing among us. I have set up a whats app group for RFN partners (not limited to Klima partners) to expedite information sharing. So far, using this platform, I manage to get faster response from partners on important issues such as BRG activities and PP Gambut revision.
- **RFN global partner meeting.** This session allows me to make a link and comparison between the Indonesian context and the context of other regions, especially Latin America. I learned that when put side by side with developments in Brazil and Peru, for example, developments of REDD+ in Indonesia feel very piecemeal where initiatives are scattered all over the place without a strong legal hook. It makes it more important than before to advocate not just for a good process outside the existing laws and policies but also to strengthen the existing legal and policy mechanisms to get results.
- **Zero deforestation discussion.** This session revealed the underlying problem between the business sector, government, and community/CSOs regarding natural resources management, namely conflict resolution. A potential thing that can be followed up is the Conflict Resolution Unit that was mentioned by Dharsono (KADIN). I have looked it up but only found a little information about it. It turns out that the CRU initiative is assisted by Kemitraan and Mazar Starling rEsources (MSR) in which they plan to develop effective, robust, transparent and equitable mechanisms for resolving land tenure and other conflicts between private sector and communities to support the implementation of REDD+ and low carbon land use strategies. I think the next step should be thinking and formulating several concrete follow-up actions that we want to take (with clear objectives, not too ambitious) and then RFN or I can facilitate communication between partners and KADIN.

C. Tentative Plan for July 2016

- Continue advocacy on PP gambut revision
- Facilitate the Coalition to consolidate on important issues such as strengthening ISPO, monitoring palm oil moratorium implementation, and issues related to peat.
- Keep an eye out on PP IELH and the subsequent development of Perpres for Environmental Fund (for REDD+ instrument).
- Continue communciating with partners and disseminating information related to REDD+. For this, I hope that I can take a look at RFN partners' list of activities this year (if possible) to look for patterns and to understand better what can be done together as a joint advocacy platform.

Annex I

Updated Arguments on PP Gambut Revision

Matriks Argumen/Analisis Resiko

No.	Isu	Rujukan Pasal	Argumen
	Kanalisis/pengeringan gambut skala besar oleh perusahaan adalah akar masalah kebakaran dan kerusakan gambut yang kemudian menyebabkan lingkungan dan ruang kelola masyarakat rusak. Hal ini harus diakui dan tercermin dalam bagian landasan PP ini, khususnya di bagian menimbang.	Menimbang	Jika kanalisasi/pengeringan gambut merusak gambut, kerusakan-kerusakan tersebut didudukkan dalam perspektif yang tidak selaras dengan cara membakar namun masih bagus. Setelah perusahaan memulihkan masyarakat, kegiatan tersebut menjadi menjadi kering. Hal ini beresiko berujung pada masyarakat yang tidak mengetahui kondisi lingkungan terkini yang mereka lakukan.
	Definisi gambut - Ada penambahan kriteria bahwa yang dikategorikan sebagai gambut adalah yang ketebalannya 50 cm atau lebih (tidak ada di PP 71)	Pasal 1 angka 2	Yang ketebalannya kurang dari 50 cm dan luasan lahan gambut dan gambut yang rusak. Usulan siapa? Tanya ahli gambut?
	Penyediaan peta dengan skala 1: 50.000		Harus dipastikan siapa yang bisa memverifikasi harus mengacu pada standar BIG karena harus akurat dan berbeda-beda standarnya.
	Penambahan karakteristik sosial budaya pada Peta Final KHG	Pasal 7 ayat 1	Jika tidak ada data dan informasi mengenai karakteristik sosial budaya pada peta final KHG, maka persoalan konflik tenaganya akan tertutupi dan hal ini dapat merugikan lahan gambut setelah lahan gambut tersebut dilindungi/perkelolaannya. Tidak dimasukkannya karakteristik sosial budaya dipertimbangkannya dalam proses perencanaan perlindungan/pengelolaan juga berpengaruh terhadap masyarakat lokal di lahan gambut dan masyarakat di sekitarnya yang sangat krusial selanjutnya (penetapan fungsi lahan gambut dan perlindungan/pengelolaan didasarkan pada karakteristik sosial budaya masyarakat).
	Usulan BRG: (3) Menteri wajib menetapkan fungsi lindung Ekosistem Gambut paling sedikit 30% (tiga puluh per seratus) dari seluruh luas Kesatuan Hidrologis Gambut serta terletak pada puncak kubah Gambut dan sekitarnya. Usulan 16 Mei: (3) Menteri wajib menetapkan fungsi lindung Ekosistem Gambut paling sedikit 30% (tiga puluh per seratus) dari seluruh luas Kesatuan Hidrologis Gambut yang letaknya dimulai dari satu atau lebih puncak kubah Gambut.	Perubahan pasal 9 ayat 3 versi 16 Mei	- ada yang tahu signifikansi usulan p

	Tim kajian perubahan fungsi ekosistem gambut	Pasal 11 ayat 5 dan 6	Mengapa dihapus? Menurut kita pentingkah ada tim ka
	Sinkronisasi dengan RTRWP/K	Umum	Bagaimana memastikan EG yang linc diakomodasi dalam RTRWK dan ren
	Penjelasan mengenai 'menjaga fungsi hidrologis'	Pasal 21 ayat 2, apa yang di	Harus ada penjelasan tentang apa ya Kalau tidak, perusahaan skala besar dengan menggunakan teknologi terk
	Ketentuan dilakukannya audit perizinan	Pasal 22 A	Pentingnya audit perizinan: Apa resikonya kalau audit perizinan
	Larangan di lahan gambut	Pasal 26 huruf a dan c	<p>Saat ini, kondisi yang ada adalah terj ruang kelola masyarakat semakin se dibebani hak (APL) tinggal 400,000 h masyarakat tidak lagi memiliki ruang sebagai EG fungsi lindung dan tidak harus disertai dengan analisis sosial.</p> <p>Harus diberi penjelasan yang lebih d masyarakat adat/lokal (yang masih r membuka lahan dengan cara memb</p> <p>Kondisi saat ini = masyarakat adat da dengan cara membakar lahan gambu menerapkan cara itu dari generasi k satunya yang tersedia bagi mereka d pemerintah atau aktor lain. Dahulu, besar-besaran oleh perusahaan, cara berujung pada kebakaran akibat kor</p> <p>Jika tidak diberi penjelasan atau kete kondisinya seperti itu, pasal ini bere yang posisinya serba terjepit. Di sisi mekanisme kontrol untuk masyarakat tradisional dalam membuka lahan in seringkali tidak sepenuhnya sadar ba karena drainase perusahaan.</p> <p>Kondisi lapangan yang lain = banyak membuka lahan dengan cara memb bisa jadi hanya mengirim masyarakat perusahaan besar yang ada di belaka</p> <p>Harus ada mekanisme kontrol khusus berdasarkan kearifan lokal</p>
	Tentang restorasi	Pasal 30A	Harus ada definisi dan tahapan resto
	Terkait ketentuan restorasi (Pasal 30 A ayat 1). Usulan pada draft Perubahan tanggal 9 Desember 2015 tentang ketentuan		

	<p>Perencanaan, Pemetaan dan Zonasi kawasan lindung dan kawasan budidaya dalam ketentuan mengenai restorasi menghilang dan harus dimasukkan kembali, yakni sebagai berikut:</p> <p style="text-align: center;">Pasal 30 A</p> <p>(2) Restorasi sebagaimana dimaksud pada Pasal 31 ayat (3) huruf c dilakukan dengan:</p> <p>c. <u>Perencanaan, pemetaan dan zonasi kawasan lindung dan kawasan budidaya</u></p> <p>d.</p> <p>Perlu ditambahkan <u>satu klausul yang mengatur syarat mutlak pemulihan fungsi hidrologis dan fungsi ekosistem gambut.</u></p>		
	<p>Pengambilalihan area bekas kebakaran di area perizinan</p> <p><u>Ekosistem Gambut yang Terbakar di Area Perizinan</u></p> <p>Ketentuan bahwa Pemerintah dapat mengambil tindakan penyelamatan dan pengambilalihan areal bekas kebakaran di areal perizinan usaha dan/atau kegiatannya di mana terdapat gambut yang terbakar harus dipertahankan dan tidak dihapus.</p>	Pasal 31 C	<p>Jika ketentuan ini dihapus, maka...</p> <p>Tidak ada keterangan apakah penga sementara. Saat ini lahannya disita l perusahaan = seharusnya dijadikan o ketimpangan akses pengelolaan yan</p>
		Umum	Aturan mengenai gambut ini sama s ketidakadilan ruang
	Biaya pemulihan ditanggung masyarakat adat dan lokal	Pasal 32 A ayat 3	Biaya pemulihan beresiko membara dibebankan sepenuhnya kepada me akar masalah atau dosa historis peru kanal/drainase dan membuat masya secara tradisional dengan aman
	Pemberdayaan masyarakat	Umum	Masyarakat harus diberi informasi y supaya mereka sadar tidak membak kanalisasi yang dilakukan perusahaa
	<p>Pasal Peralihan</p> <p>c. Izin usaha dan/atau kegiatan untuk memanfaatkan Ekosistem Gambut pada fungsi lindung yang telah terbit dan sudah beroperasi sebelum Peraturan Pemerintah ini berlaku harus dievaluasi dan diaudit. Jika izin</p>	Pasal 45 (peralihan)	<p>Resiko jika izin di EG lindung tetap b</p> <p>Izin yang telah ada di ekosistem gam harus langsung dicabut karena.....jika</p>

	<p>tersebut diperoleh sesuai dengan prosedur yang benar, maka dinyatakan tetap berlaku sampai berakhirnya 1 (satu) kali daur tanaman (bukan sampai masa izin berakhir dan tidak boleh ada perpanjangan). Jika izin tersebut diperoleh tidak melalui prosedur yang benar, izin tersebut harus langsung dicabut.</p> <p>d. Izin usaha pemanfaatan ekosistem gambut dengan fungsi lindung yang belum disertai dengan pembukaan lahan harus dinyatakan tidak berlaku.</p>		
	Penetapan fungsi ekosistem gambut	Pasal 46A	Menteri menetapkan fungsi lindung dengan penetapan peta KHG. Risiko <i>down</i> , bagaimana memastikan keterfungsi EG? Bagaimana jika ruang lindung dan tidak boleh lagi dibuka? Apakah mengacu pada safeguards re masyarakat dalam proses ini? Harus memperhatikan ruang kelola masyarakat
	Pencegahan Kerusakan Ekosistem Gambut Kriteria baku kerusakan 0,4 meter		Jika ketentuan 0,4 meter ini dihapus
	Kriteria baku kerusakan ekosistem gambut (penambahan pada Pasal 24). Terjadinya <u>kebakaran</u> di ekosistem gambut harus menjadi salah satu kriteria baku kerusakan Ekosistem Gambut, baik di Ekosistem Gambut dengan fungsi lindung maupun budidaya.		Jika kebakaran tidak menjadi salah satu kriteria maka.....

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

July I 2016

by

Anggalia Putri Permatasari

In this report:

- Forest fire update
- Third National Communication update
- Revision of Perpres RAN-GRK update
- Highlights and analysis of revised ER-PIN Indonesia
- Matrix of regulations and processes to watch

A. Activities

Activities in the period of July 1-14:

- Media and website tracking
- Communication with Coalition and network
- Studying ER-PIN Indonesia, FCPF newsletters, and RAN-GRK

B. Developments on REDD+ Implementation***bb. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia*****Funding Instrument**

- The government put a target that the regulation regarding REDD+ Funding Instrument would be available in Jun, but there are no new updates yet on RPP IELH in general or REDD+ Funding Instrument specifically after the June 15 public consultation in Jakarta.
- After RPP IELH becomes PP IELH, the next step is to draft a Presidential Regulation (Perpres) regarding Environmental Fund in which REDD+ is envision to become one of the funding windows.

Revision of RAN-GRK

- Review and revision of Perpres RAN-GRK (led by Bappenas) is important because it will be the main legal and policy hook for mitigation actions in Indonesia. The Annex will contain list of priority mitigation activities that will be implemented by related ministries, including KLHK. The review will entail assessment of the national climate policy, policy interventions, and estimate potential impact of mitigation actions to develop Indonesia's climate change mitigation policy post-2020. The review will also influence the development of INDC/NDC process.
- According to KLHK website, mitigation actions that have not contributed directly to GHG emission reduction in the period of 2010-2014 will no longer be proposed to be a part of mitigation actions in the revised Perpres RAN-GRK.
- Mitigation actions that are cited to have contributed directly to emission reduction in 2010-2014 are as follows:

Activities	Ton of CO ₂ e (2020-2014)	Note
Forest rehabilitation and reclamation	9,349,308 ton	9 priority watersheds
Development of environmental services	858,156	
Timber plantation (HTI) and timber plantation for the people(HTR)	1,602,952	
TOTAL (2010-2014)	11,810,416	

Proposed activities from forestry and peat sector to be included in the revised Perpres RAN-GRK are as follows:

- Development of conservation area and essential ecosystems; improvement of protected forest (*hutan lindung*)
- Development of nursery plantation for communities
- Restoration of open access land;
- Ecosystem restoration in priority areas
- Restoration of peat ecosystem

Issues:

- **Drivers.** If we take a look only at the listed activities, we can see that mitigation actions proposed by KLHK rely heavily on conservation and enhancement of carbon stock through conservation and rehabilitation/restoration programs and projects, which are business as usual for KLHK. This raises question regarding mitigation actions to avoid deforestation and degradation itself or addressing drivers (for example by strengthening licensing regime and moratorium), which seems to be undercapitalized by KLHK.
- **Social forestry.** Another question mark is regarding social forestry. Mitigation potential from community-based forest management is not mentioned on the above list while it was previously a big part of RAN-GRK (with a target of 2.5 million hectares of social forestry in the period of 2010-2014). This raises a question of whether it is taken off the list because it has not contributed to emission reduction or whether it is not mentioned on the website but will still be included in the revised RAN-GRK. The current situation is that emission reduction from social forestry sector is low due to the minuscule size of community-managed area. But as shown by WARSI's community-based mitigation action in Bujang Raba, for example, this sector shows a huge potential if only the size of community-managed area increases significantly. Therefore, social forestry must be placed in the center of any emission reduction policy or program in Indonesia, including in RAN-GRK. It is also important to adopt the perspective of addressing spatial inequality in the forestry sector and protecting rights. This agenda should be advanced in the next public consultation regarding this process, which schedule is still unknown.

- **HTI.** Another issue is reliance on timber plantation or HTI. Contrary to social forestry that fails to be mentioned, HTI development is emphasized in the next mitigation action plan. Expansion of HTI in the name of mitigation must be critically examined because it has given rise to numerous social conflicts and deforestation. A driver of deforestation must be disincentivized, not rewarded by putting it high on the list of mitigation actions. Meanwhile, prioritizing HTI means perpetuating inequality of access to forest resources and not addressing spatial injustice.

Third National Communication

- One of the major programs of Ditjen PPI is preparing the Third National Communication to the UNFCCC. The process will allow the government to design climate change policy in general and measure the impacts of mitigation policies. This process is supported by UNDP. The plan is to submit it in the 2016 Marrakesh COP.
- The project aims to deliver 5 things: 1) national GHG inventory (currently being developed by KLHK), 2) report on impact, vulnerability, and adaptation to climate change, 3) report on impact of GHG mitigation policies and measurement regarding CC, 4) report of national circumstances, 5) publication of TNC and Biennial Update Report (BUR)
- KLHK has conducted a public event to prepare for the COP in June but no documents/drafts were shared yet.

cc. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

No new updates yet.

dd. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

Forest Fire

- **The first critical phase of fire.**
 - o From March to Jun 2016, forest fire recurred in Sumatera (mostly North Sumatera) and Kalimantan (West and Central Kalimantan). Data from forest fire monitoring system of KLHK (SIPONGI) showed that there are 288 hot spots (per July 3), 245 of which is located in Sumatera (KOMPAS). Forest fire is predicted to

recur until September or October. In Riau, fire was found in community plantations as well as in logging concessions.

- KLHK stated that it will take legal action only after fire still occurs despite warnings that have been given to companies. In July, KLHK gave warnings to three companies (PT REKI, LAJ, and TMA) for letting fire occur in their concessions.
 - Until now, companies and community are still pointing fingers at each other with regards to the origin of fire. It is undeniable that many communities still use fire to open their land. But it is also a common Modus Operandi that communities are paid by companies or large players to use fire to open land and forest for them. Therefore, in the case of fire, it is crucial to examine each case carefully to determine the 'mastermind.' On the other hand, many local communities that use fire in accordance with their traditional wisdom to prevent fire face increased criminalization, for example in PP Gambut, which prohibits use of fire to open peat entirely. CSOs are still debating whether to ban the use of fire entirely or include a provision to dispense the use of fire based on local wisdom.
 - Access to map of concession holders (HGU) becomes more important than ever to track fire to the exact concession holders.
- **Access to concession data including HGU.**
- CSOs continue urging the government to open access to concession data (including HGU map) so that CSOs and community can conduct participatory monitoring and prevent forest fire. Until today, concession data (including HGU map) is still categorized as classified information. Greenpeace is currently involved in information dispute with KLHK regarding access to forestry and land map in the form of shapefile (shp) that can be used to track location of fire to concession holders.
- **Law enforcement.**
- KLHK is conducting regular patrol to prevent forest fire. According to their statement, they are upping the sanctions, including license suspension up to revocation. KLHK also filed civil suit against several companies forcing one of the companies (PT Jatim Jaya Perkasa) to pay for compensation of Rp 22.2 billion due to forest fire in its concession. However, there was no penal sanction involved and law enforcement remains impeded by lack of strong evidence and environmentally-aware judges.
 - In 2015, KLHK imposed administrative sanctions on 27 companies due to fire in their concessions, including suspension of 16 licenses, revocation of 3 licenses, and 7 cases of government-imposed actions. Out of the 16 suspended licenses,

14 were reactivated because they have fulfilled government's order, including rehabilitating the land and returning the land to the government. The administrative sanction and law enforcement effort seems minuscule compared to the 400 cases of fire found in companies' concession during the 2015 fire.

Revision of PP Gambut

- The new PP Gambut is not published yet. We are still waiting for the latest draft from Kantor Staf Presiden (KSP) as promised in the last meeting with KSP.
- The progress of Coalition to come up with matrix of risk analysis regarding non-negotiable points regarding PP Gambut revision is still in (rather slow) progress.

BRG

- **Initial mapping result.** Out of 2.67 million hectares of areas that will be restored, 2.3 million hectares are located in cultivation area. 531 companies in the plantation and forestry sector are operating in peat land area that will be restored, most of it comes from plantation sector.
- According to Nazir Foad, 1.2 million hectares of plantation and forestry business are located in peat area, in which half a million hectares are located in peat dome that should be protected.

FCPF

- **ER-PIN process.**
 - o Revision of Indonesia's ER-PIN was submitted and approved to be included in the Carbon Fund pipeline in June 2016 (the ER-PIN was selected provisionally into the Carbon Fund pipeline in October 2014). However, Indonesia must change the start date of the proposed reference level to comply with the Methodological Framework.
 - o The next step is the signing of LoI between GOI and the FCPF confirming Indonesia's intention to proceed with development of the program and the development of ER-PD (Emission Reduction Program Document), which is the full proposal.
- **Highlights of Indonesia's revised ER-PIN.**
 - o **Why focus on East Kalimantan.**
 - With regards to policy and institution, East Kalimantan is pretty advanced in terms of readiness to implement REDD+. It has: 1) mainstreamed REDD+ into the Regional Development Plan (RPJMD) 2014-2018, 2) allocated regional state budget for REDD+, 3) established REDD+ Working Group and Regional Climate Change Council (DDPI), 4) issued Governor

- Regulation on RAD-GRK, 5) declared Kaltim as a green province (Kaltim Green), 6) published REDD+ Provincial Action Plan (SRAP) for the period of 2012-2030 (currently under revision), and 7) issued moratorium in forestry, mining, and palm oil sector. All the initiatives, however, rely heavily on the executive sector/Governor and hence is built on shaky ground. The risk of change and discontinuation of policy is very high if and when the Governor leaves office, as shown in the case of Central Kalimantan. An ideal condition is that having REDD+ initiatives codified in Perda (Regional Regulation), which means involving the regional house of representative. Unfortunately, the process is very political and lengthy so that Governor Regulation is preferable to accelerate actions. Having REDD+ more firmly established in long-term development programs through incorporation in Perda, however, should continue to be sought.
- In addition, many large-scale REDD+ pilot projects have been implemented in the province, among others are the Berau Forest Carbon Programme (BFCP) implemented by TNC and Kutai Barat/Mahakam Ulu involving WWFC. The ER Program will rest on these pilot projects.
 - Total forest cover in East Kalimantan is approximately 6.8 million hectares.
- **Community rights issues.** The revised ER-PIN has in general addressed critical issues regarding community rights, among others:
- **Land rights assessment.** This assessment will be conducted during the program design phase (ERPD) and will be focused at the local level (program area) rather than national level.
 - **Safeguards.** During the program design, potential social and environmental risks associated with program intervention will be identified and mitigation actions developed. The necessary safeguards work will build on the **Environmental and Social Management Framework** developed under the FCPF Readiness grant (planned to be completed at the end of 2016 as a part of Readiness Package). Other safeguards initiatives at the provincial level are also acknowledged such as SES-REDD+ and SIS-REDD+.
 - **Feedback and Grievance Mechanism and Redress** will be developed also during the program design phase.
 - **Role of IPs and local communities.** It is mentioned that: “Consultation process will involve local and indigenous communities in all aspects of the program design, including the design of the MRV system. Local communities are likely to play a critical role in program implementation as *project proponents* and as *beneficiaries of performance-based funding*. As such they are also likely to play an important role in the *design and implementation of project-level MRV systems*.”

- **Community forestry.** Community forestry is mentioned repeatedly across the document and is promised to become one of the main programs. It remains to be seen how much budget and energy will be dedicated to expand community-managed area. It must be remembered that sometimes management rights are not enough for the communities when they demand property rights such as *hutan adat* or individual land rights. It must also be noted that the communities must be supported in defending their right to food (meaning that they must not be forced or induced to solely rely on single export commodities that are fluctuative and can reduce their capability to feed themselves).
- **Non-carbon benefits.** Non-carbon benefits aimed to be generated by the ER program are listed in detail. See table below.

Table 18: Potential non-carbon benefits and indicators

Non-Carbon Benefits	Indicators
1. Biodiversity protection	210 mammal species 15,000 different flowering plants 44 endemic mammal species, including: <ul style="list-style-type: none"> ▪ Borneo orangutan (<i>Pongo pygmaeus pygmaeus</i>) ▪ Asian elephant (<i>Elephas maximus</i>) ▪ Borneo clouded leopard (<i>Neofelis nebulosa borneo</i>) ▪ Borneo banteng (<i>Bos javanicus lowi</i>) ▪ Sun bear (<i>Helarctos malayanus</i>) ▪ Sumatran rhino (<i>Dicerosaurus sumatrensis</i>)
2. Strengthening the KPH System	
Improved management of KPH areas	Increased proportion of land under forest management licenses (HPH, HTR, HTL, HKM, HD)
Better monitoring and law enforcement	Reduced encroachment within KPH boundaries
More effective local participation in government planning processes and strengthened negotiating capacity	Degree of local participation in governance platforms Adoption of consultation protocols by KPHs
3. Improving spatial planning	
Improved investment climate for sustainable land use	Increased area of land under sustainable management (e.g. FSC, RSPO, etc)
Reduced conflict over land allocation	Reduced number of conflicts, increased proportion of conflicts in process of mediation
4. Supporting tenure reforms	
Improved recognition of customary land claims	Area of adat land registered. Decline in competing land claims and land-related conflict
Improved investment opportunities for local communities	Increased area under local management, including smallholder oil palm, coco, CBRM
5. Community based activities	
Improved alternative livelihood opportunities	Increased number of micro and small-scale businesses. Increased production of NTPPs
6. Activities related to land use businesses	
Increased investment in degraded areas, enhancing their contribution to poverty reduction, timber production and environmental services	Increased portion of agricultural expansion on degraded land Hectares of land swapped
Adoption of sustainable management practices	Proportion of area under certified management (FSC, RSPO, ISPO)

- **FPIC and conflict resolution.** FPIC is mentioned as something included in SRAP but it is unclear whether this ER program will adopt FPIC as well (must be pushed to go beyond World Bank safeguards). SRAP also includes an establishment of an institutional arrangement for the

settlement of conflicts in the agricultural sector and management of protection and conservation areas. This agenda must be realized soon.

- **Costs proportion.** According to the estimated costs of the ER Program, costs for programs related to local communities are the largest (US\$ 80 million). See table below. The detailed allocation of budget must be scrutinized to see how much actually goes for the community/community interests, including to support legal tenure and capacity building for improved livelihood. Some of the funding may be taken from the Indonesia-Norway Partnership.

Table 16: Estimated costs of the ER program

Scope	Approximate Cost (US\$ m)
Coal mining	175.110
Oil palm estates	99.000
Forestry	40.000
Local Communities	80.000
Financial partner	200.000
Support for EPH	15.000
Police support	27.000
Engineer development	2.000
UNF and FICHA implementation	8.000
Total	648.110

- **Participation.** It is mentioned that “During the program design phase, the program partners under the leadership of the Ministry of Environment and Forestry will engage and consult a broad range of stakeholders at the community, district, provincial, and national levels at all stages of design. The process will be *robust, inclusive, transparent and participatory in accordance with high standards of public consultation*. Particular attention will be given to *customary peoples and local communities, to gender issues, and to the utilization of local knowledge and techniques*, where appropriate. Besides covering the design of ER activities, the consultation and outreach process will be used to design *benefit sharing arrangements, and the safeguards, REL and MRV systems.*”
- **Linkage with national and regional REDD+ framework and policies**
 - After heavy criticism at the start of FCPF process (including from the Coalition) due to disconnect from the broader reform-oriented national REDD+ process, the ER-PIN final document seems to have rectified the

shortcoming. The ER program is said to link closely with RAD-GRK and RAN-GRK. Stranas REDD+ is also referred to.

- The ER programs intends to support Indonesia's forest governance reform programs, including establishment of KPH (*Kesatuan Pemangku Hutan*) or Forest Management Unit (FMU) at the district level, spatial planning and land rights reform.
- **Drivers.**
 - The ER-PIN specifically mentions addressing drivers, namely mining, palm oil, logging, road network and settlement (planned development), encroachment, forest fire, weak governance (including uncertain land rights), and food estate. The document also lists efforts to tackle each driver and the corresponding predicted emission reduction. This is more detailed and more convincing than the INDC and even RAN-GRK.
 - KPH development is a central key word in the ER program (as well as in RAN and RAD-GRK). KPH will be responsible for developing management plans, overseeing license holders, and monitoring land use activities, particularly in open access areas not under license. KPHs will be part of local government structures. It is envisioned to support law enforcement, reach out to local communities, and address land based conflicts and improve local people's access to forests. Twenty KPHs will be developed by 2020 in East Kalimantan.
 - With regards to forest governance, the ER program is said to support reforms in forest governance and spatial planning.
- **Programs.**
 - Mining, logging, estate crop sectors
 - Support palm oil, mining, and forestry companies to adopt sustainability certification schemes and best management practices that lead to reduced deforestation.
 - Support logging concessions in adopting sustainable forest management certification and apply reduced impact logging (RIL).
 - Identify areas of degraded land that could be swapped with plantation development.
 - Support identification and protection of HCV areas within concessions.
 - Community forestry
 - Promote livelihood activities such as CBFM and NTFP
 - Facilitate partnership between local community and companies in the palm oil and forestry sectors.

- Promote CSR programs for community empowerment.
 - Provide capacity building for better participation of local community.
 - Peat and land fire (peat rehabilitation)
 - Support monitoring and control
 - Develop infrastructures and facilities for fire control
 - Establish community firefighter groups
 - Capacity building and support for non-burning clearing methods.
 - Encroachment
 - KPH development (to improve monitoring and control)
 - Support for alternative livelihood
 - Community forestry and outreach
- **Governance Structure**
 - Primary managing agency = KLHK
 - Other supporting national institutions: Bappenas, MoFinance, MoHome Affairs, DKN (National Forestry Council)
 - Focal point at the provincial level = DDPI (Dewan Daerah Perubahan Iklim)
 - Other supporting regional institutions: Bappeda, Badan Lingkungan Hidup Provinsi, Dinas Perkebunan Kaltim, Dinas Pertambangan, village institutions, Ips and local communities, local NGOs, program partners
 - Steering Committee (chaired by the MoF) will meet every 6 months to evaluate activities and progress.
- **Timeline**
 - **ER-PD development: now up to June 2017.**
 - Development of ER-PD (program document) is critical because it will determine the design all the project elements, including activity design, safeguards, benefit-sharing, feedback and grievance and redress mechanism (FGRM), and assessment of land rights.
 - Participation and active involvement of national and local CSOs in Kaltim is very important to ensure that community rights issues and civil society concerns are addressed and implemented effectively on the ground. With regards to this, I have established communication with STABIL, one of the NGOs in East Kalimantan that has been involved in FCPF consultations. The plan is to communicate with them about progresses and updates at the international and national level and they will communicate concerns at the regional

level and on the ground. To my knowledge, RFN partner that is active in FCPF circle is AMAN (Mina).

- MRV activities are expected to occur late in 2018, 2021, and 2024. the CF Program ends in 2024

ee. General developments of sectors related to drivers of deforestation, such as the palm oil sector

No new updates yet.

ff. Media Coverage

Media coverage in this period is dominated by forest fire happening in Sumatera and Kalimantan.

C. Tentative Plan for July II 2016

- Regular Coalition meeting

- Regulations and processes to watch

No.	Regulations/Processes	Important Because	Important Issues
1.	<p>Revision of PP Gambut</p> <p>Status: at the latest stage, expected to be issued soon.</p>	<p>Will be the main legal reference in protecting and utilizing peat in Indonesia, which contributes significantly to GHG emissions.</p>	<p>Criteria of protection peat and peat for utilization</p> <p>Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat)</p> <p>Risk of community criminalization due to general prohibition of use of fire</p>
2.	<p>RPP Instrumen Ekonomi Lingkungan Hidup/IELH</p> <p>Status: has finished consultation stage, targeted to be issued in June but not published yet</p>	<p>Will be the legal hook for Environmental Fund, which is expcted to be the mother institution of REDD+ Funding Instrument</p>	<p>The Environment Fund will be regulated in a separate Presidential Regulation (Perpres).</p> <p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	<p>Revision of Perpres RAN-GRK (Lampiran)</p>	<p>Will list priority mitigation actions, including in the forestry sector. Is the main legal hook for mitigation actions in Indonesia, including REDD+.</p>	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p>

			No clear link or reference to Stranas REDD+
4.	Third National Communication to the UNFCCC and Biennial Update Report	Allow the government to design general climate change policies and measure the impacts of mitigation actions	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Will be the first jurisdiction-wide carbon trading pilot	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Will stop new palm oil and mining licenses on forest	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Determines the scope of moratorium protection	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	Will expand community-managed area	
9.	Penetapan hutan adat Status: 0 hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Legal recognition of customary rights to forest, will expand community-managed area	
10.	Realization of 12.7 million hectares of social forestry	Will expand community-managed area	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

July Week II 2016

by

Anggalia Putri Permatasari

In this report:

- Palm oil moratorium
- President Work Plan (RKP) 2017
- Palm Oil Bill (*RUU Perkelapasawitan*)
- Commission of Information's ruling on HGU as public information
- HuMa's board change
- Matrix of regulations and processes to watch

A. Activities

Activities in the period of July 15-31:

1. Attending HuMa's seminar on the Dismantling of People's Rights to Land and Natural Resources (an opening seminar of HuMa's Annual Member Meeting)
2. Attending WRI Indonesia's Office Warming and Exhibition of Forest and Climate Programs
3. Preparing materials for CSO meeting on palm oil moratorium
4. Coalition meeting on palm oil moratorium
5. Drafting and consolidating inputs on palm oil moratorium policy brief
6. Studying Palm Oil Bill (*RUU Perkelapasawitan*)
7. Coordinating with Miriam for September's workshop
8. Dissemination of information to partners
9. Media following
10. Preparing report

B. Developments on REDD+ Implementation

gg. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

Funding Instrument

- No new updates yet. The government has already been one month behind the target of RPP IELH issuance (June 2016). The recent reshuffle may delay some processes at the ministerial level.

hh. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

President Work Plan (RKP) 2017

- RKP (*Rencana Kerja Presiden*) is not a law, but a policy guidance. It guides the planning and implementation of programs and activities as well as budgeting at the ministerial level. It is a detailed elaboration of the Medium-term Development Plan (RPJMN 2015-2019). It tells us what issues are on the agenda and how high on the agenda it is.
- In RKP 2017, agrarian reform (RA) becomes one of the priority programs of the President. The Ministry of Agraria and Spatial Planning (Kemen Agraria/TR) is the leader in this process. It has recently been changed from Ferry Mursyidan Baldan to Sofyan Djalil who previously led Bappenas. The last 3 years of Jokowi's administration can be used to heighten the pressure to push for the implementation of Jokowi's presidential campaign platform, including agrarian reform (also in forest area).
- The RKP says that in 2016 and 2017, the target of land inventory for agrarian reform is 2.5 million hectares, respectively. By 2019, the government targets that 10 million hectares, including 4.1 million hectares of forest area (to be released) have been identified and made AR objects.
- There are 5 priority programs in AR, namely: 1) strengthening agrarian reform and conflict resolution **regulation framework**, 2) reorganization of **land ownership** in AR objects, 3) **legalization** of AR objects (land), 4) establishment of **institution** to implement AR at the national and regional level, 5) community **empowerment**. Planned activities including reviewing business licenses and changing forest area boundaries for communities, identification of degraded land and forest area that will be re-distributed, and **legislation of adat territories in 17 provinces**.
- This policy has been informed to Partners. However, there is no information yet regarding current or potential Partners' involvement to watch its implementation.

Commission of Information's ruling: HGU as a public information

- On July, 22, the Commission of Public Information (KIP) ruled in favor of Forest Watch Indonesia (FWI) as the plaintiff deciding that HGU (Land Use Right) document of plantation companies is open for public (categorized as public information that is open/available at all times). Therefore, HGU is no longer classified as a classified information. This is a big victory for the civil society because advocacy, especially on the ground, had often been hampered by the lack of information regarding the boundaries of companies' concessions and the legal status of companies' operations on the ground.
- The complaint was filed by FWI ten months ago after their request for HGU information to the Ministry of Agraria/Spatial Planning was ignored.
 - Specific information in HGU that is ruled to be open at all times are as follows:

1. Name of HGU holder (company)
 2. Location of HGU
 3. The size of HGU/concession
 4. Map of HGU together with the coordinates
- With this ruling, CSOs can request information regarding HGU to the National Land Agency/Land Offices at the regional level to support their advocacy work. However, the speedy implementation of this ruling depends on the Ministry of Agraria/Spatial Planning and Land Offices at the regional level because there is no court-like enforcement mechanism to ensure that this ruling is immediately obeyed by the Ministry. What CSOs can do, however, is 'test-casing' the ruling as often as possible until it becomes a normal procedure to obtain information regarding HGU from the Ministry and land offices.

ii. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

One Map Policy

- Kalimantan is made the pilot project/priority location for the implementation of one map policy acceleration in 2016 in support of forest fire handling (on scale 1: 50,000). The government said that most of data for concessions located in forest area has been obtained through satellite imaging. WRI is working closely with the government in this process (they have a matching program).
- Priority area for 2017: Sumatera and Sulawesi
- Priority area for 2018: Maluku and Papua
- Priority area for 2019: Java, Bali, NTB, and NTT

Forest Fire

- Law enforcement regarding forest fire in Indonesia is still far from promising, especially regarding cases handled by the regional police (Polda) and the court process. Riau Regional Police (Polda Riau) stopped the investigation of 15 companies in the case of forest fire in Riau due to lack of evidence. This potentially scandalous case was one of the main news in the environmental section of the mainstream media (Kompas) in the last month. The Criminal Investigation Division from Jakarta (Bareskrim) stated that they will investigate the case. Meanwhile, KLHK stated that they will process the case based on administrative and civil law approach. The leading CSO watching this process in Riau is Jikalauhari in an alliance called 'Eyes on the Forest.'

- Some of the companies, which investigation was stopped are PT Ruas Utama Jaya and PT Dexter Rimba Perkasa, which belong to APP group and PT Sumatera Riang Lestari and PT Hutan Sola Lestari, which belongs to RAPP group. The latter is currently being investigated by KLHK. KLHK is also investigating two other companies, PT Triomas Forestry Dvelopment Indonesia and PT Jatim Jaya Perkasa. After investigation is completed, the cases will be handed to the District Court.
- Cases investigated by KLHK (Directorate of Law Enforcement) tend to fare better than those handled by the regional police, which often halts the investigation due to lack of evidence or because the fire happened in area contested or occupied by community. However, victory in court is not guaranteed because they often lose due to 'lack of evidence' but also because of lack of environment-friendly judges.

jj. General developments of sectors related to drivers of deforestation, such as the palm oil sector

Palm oil moratorium

- On July 15, KLHK officially announced the first round of palm oil moratorium, which suspends/denies proposal for forest area release of approximately 950 thousand hectares in Sumatera and Kalimantan. Location and name of companies whose proposal will be denied are not shared. The halt of 950,000 hectares of forest release is said to be contributing to emission reduction of 0.26 Gt of Co₂e.
- Moratorium regulation (Inpres) is still being discussed among the ministries under the coordination of the Coordinating Ministry of Economy (Darmin Nasution). Due to the recent reshuffle, it is possible that the issuance of the Inpres will be delayed (the target is August 2016). This gives a window for CSOs to convey their inputs.
- The moratorium will last for 5 years (2016-2021)
- Five criteria of moratorium objects:
 1. Proposal for forest area release (*pelepasan kawasan hutan*) and forest area exchange (*tukar-menukar kawasan hutan*) for palm oil expansion.
 2. Palm oil concessions that are indicated of having been transferred to other parties (*dipindahtangankan*).
 3. Operational/existing palm oil concessions, which still has productive forest cover (the definition of productive is unclear).
 4. Palm oil concessions that are indicated of not being used in accordance with the objective of forest area release and exchange (*tidak sesuai peruntukkan*).
 5. Palm oil concessions that are indicated of being located in forest area.
- If all what KLHK stated in the media is true and the five categories above are really covered in the coming Inpres, it will be a very progressive policy because it touches upon the existing palm oil concessions (that still have forests and that have not been developed). It means that the moratorium will also act as a land clearing moratorium, not just license moratorium. This will contribute to halting imminent deforestation in existing concessions. These components are

objected to by palm oil industry (GAPKI) and the Ministry of Agriculture. In this case, the CSOs agreed to support KLHK.

- Coverage:
 1. The first round: denial of proposal of forest area release for palm oil expansion covering 950.000 hectares in Sumatera and Kalimantan (proposed by more or less 60 companies). Currently, the proposals are pending for principal approval (*izin prinsip*).
 2. In addition, KLHK will review existing licenses covering 3.5 million hectares (1.9 million hectares of land indicated of having been transferred to other parties and not being developed in accordance with the permits and 1.6 million of hectares of land currently in the process of obtaining forest area release permit).
 3. Activities that will be conducted by the government during the moratorium:
 - Evaluation of 2.3 million of hectares of illegal palm oil concessions (located in forest area). KLHK stated in the media that out of the 2.3 million hectares, 1.6 million hectares are community plantations, but CSOs doubt the validity of the data.
 - Evaluation of palm oil concessions that have obtained HGU but have not planted their land, with special attention to Papua and Papua Barat in which only 10% of HGU of almost 1 million hectares (held by 66 companies) have been developed.
 - Improvement of palm oil licensing
 - Improvement of Indonesian palm oil productivity

CSOs response

- The Coalition has asked for an audiency with KLHK to convey its views on and inputs to the palm oil moratorium policy. We are currently waiting for KLHK's response.
- A policy brief is being drafted containing the outlines of CSOs views and inputs. I am including both the Coalition members and RFN partners in the process.
- A press conference/media briefing is scheduled after audiency with KLHK.
- In general, the Coalition supports KLHK's plan of palm oil moratorium and plans to gather data to support its stance vis-a-vis other ministries who want the moratorium to be less stringent.

Below are pointers of CSOs views and inputs to KLHK (as in the draft policy brief):

- The Coalition conveys its appreciation and support to the government in implementing moratorium of permits for forest area release (*pelepasan kawasan hutan*) for palm oil expansion. Suspension of license in this area means that the moratorium will also prevent land clearing, not just prevent new issuance of licenses.
- The Coalition conveys its appreciation and support the government in conducting the evaluation of existing palm oil concessions that still have good forest cover and illegal palm oil concessions. This will contribute to halting deforestation in existing concessions.

The Coalition urges the government to:

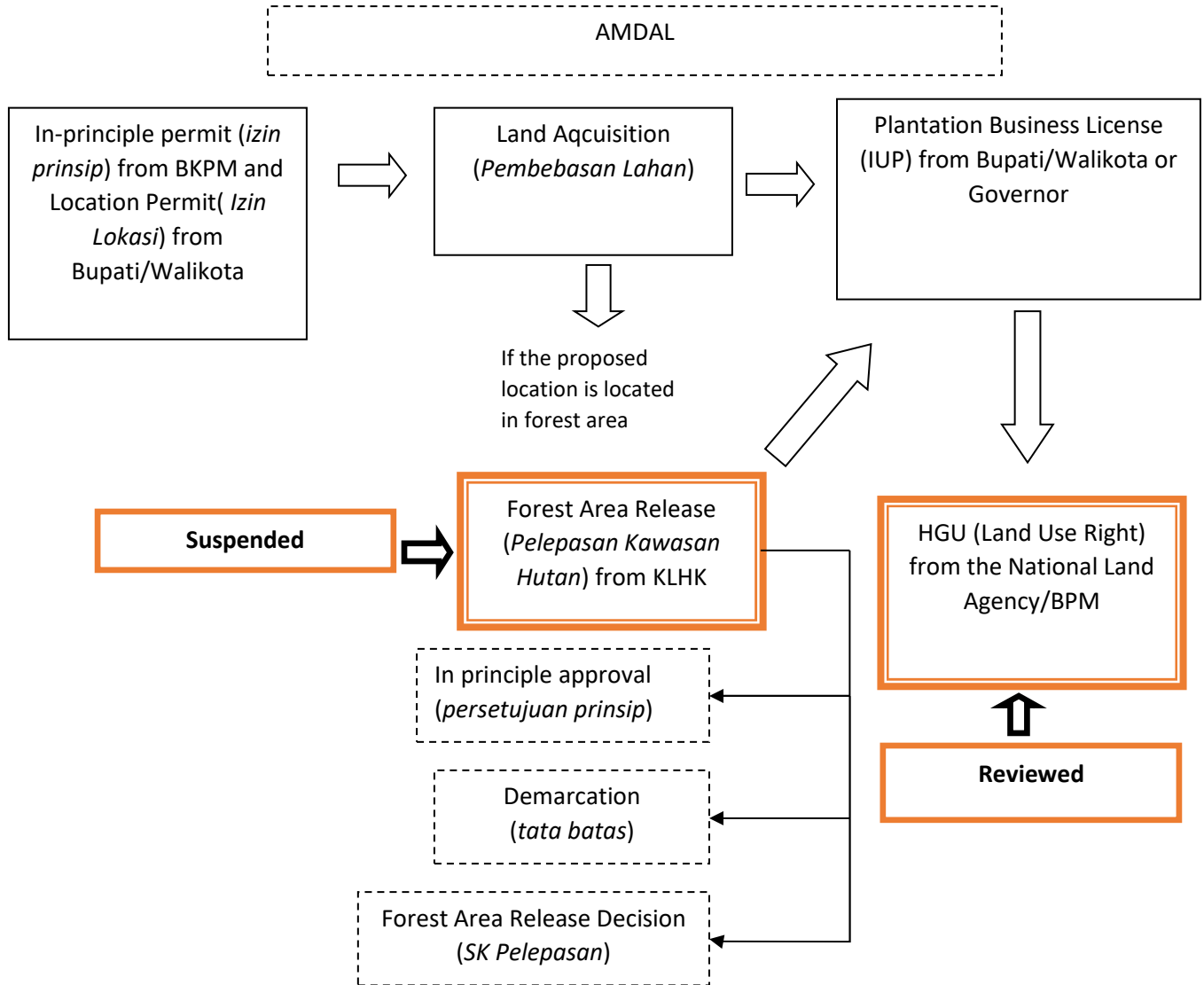
- Conduct law enforcement in a transparent manner against any law violations found during the review and evaluation process, including palm oil concessions operating in forest area.
- Immediately revoke or cancel large palm oil concessions operating illegally in forest area.
- In the process of license review:

- Not only evaluate the spatial license of private companies, but also: 1) Decision Letters (SK) of forest area release that have been issued by KLHK in the past, 2) Decision Letters regarding Change of Use of Forest Area and Forest Area Release, 3) HGU existing in forest area, 4) In-principle Permit, and 5) Location Permit.
- Examine incidents of forced release of land or intimidation of communities in the process of plantation development.
- Restore the rights of local communities that were violated in the process of palm oil plantation development.
- Restore the functions of environment destroyed in the process of palm oil plantation development.
- In the case of conflicts with local communities, establish a special team of conflict resolution with active involvement of local communities and civil society.
- Establish an integrated monitoring and evaluation system for the moratorium, which involves communities and civil society, which enables them to easily feed information from the ground regarding the implementation of palm oil moratorium policy (could be in a form of a web portal/hot line).
- Implement the policy in a transparent and open manner, including in the process of evaluation and review of licenses as well as governance reform activities implemented by the government in the period of moratorium. Specifically, we urge the government to provide information regarding:
 - Location/map of areas in which moratorium of forest area release is implemented.
 - Names of companies whose proposal for forest area release are denied.
 - Names of companies whose concession licenses are being reviewed and evaluated, and
 - Measures taken against illegal or problematic licenses/the result of license review
 - Reform actions taken and the progress of implementation.

In the case of HGU that has not been developed or is indicated to have been unduly transferred, we urge the government to:

- Turn it into agrarian reform object, or
- If the HGU still has intact forest cover, return it to its former status as forest area

Where the moratorium will hit (red) :



Palm Oil Bill (RUU Perkelapasawitan)

- RUU Perkelapasawitan (palm oil bill) is an initiative of the Parliament (DPR) and in June 2016 was added to the short list of priority legislation 2016 (Prolegnas) along with other 40 bills. The speedy entry of this bill to the priority legislation list shows the huge political economy interest behind it (compare it to the IP Bill that has fallen down the list since its inception in 2014).
- I am currently analysing the march version of the bill (still looking for the more current one). The bill covers all aspects of palm oil sector, starting from the upstream (land opening, nursery, plantation development) to the downstream (produce processing, marketing, international trade). With regards to social and environmental aspects, this bill is not progressive at all (see below).
- Social and environmental aspects.

1. The bill contains provisions regarding land acquisition belonging to adat communities (MHA), but no provision on FPIC (only consultation with communities to obtain their consent). Omission of FPIC as a specific clause is a very dangerous thing and is not line with the spirit of governance reform adopted by the President.
2. The reference to MHA rests on *penetapan* (official recognition from the state), which is very lengthy, complicated, and not happening on the ground because it requires a Regional Regulation (Perda), which is vry difficult to obtain and is highly contingent on political process.
3. There is a provision that no license can be given on adat communities' ulayat land. However, if the reference to MHA is limited only to communities that have obtained a recognition letter from the government (in the form of Perda), this provision will be very limited in application. This prohibition does not apply to local communities in general (only for MHA).
4. *Kemitraan* (partnership) provisions is also not progressive. It says that land for *kemitraan* should come from the communities itself or the government. The land for *kemitraan* should come from the companies as part of their HGU.
5. Planting palm oil on peatland is still made possible although the President/KLHK has issued prohibition not to. This provision in all probability is intended to justify all plantations built on peatland to prevent them to be evaluated/reviewed.
6. There is a provision regarding green industry certification for palm oil processing industry, which will be conducted by Palm Oil Regulatory Body (*Badan Pengatur Perkelapasawitan*), which will be set up by this Law. This BPK has quite vast authority regarding palm oil, but the funding can come from companies. This could present a conflict of interests.
7. GAPKI from their comments on the draft asks to remove provisions regarding state's oversight on account of too much intervention from the government. Meanwhile, state's oversight is a very important tool to ensure protection of communities and the environment.
8. According to Pusaka, the later version of the bill contains a provision classifying palm oil as 'pangan' (food), which means that palm oil will be able to be grown on primary forests and peatland for 'food sovereignty' purposes despite the moratorium. Classification of food also gives it strong privileges.
9. The CSOs will discuss this bill in a more in-depth manner (possibly hosted by Walhi).

kk. Media Coverage

Media coverage in this period is dominated by news on law enforcement related to forest fire , palm oil moratorium, and the progress of adat forest.

ll. Partner Focus

HuMa has conducted its annual meting on July 27, resulting in a change of its board members. The new board members are as follows:

New Board Members (2016-2019)	Previous Board Members
1. Julia Kalmirah	Chalid Muhammad
2. Ricardo Simarmata	Andik Haryanto
3. Bernadinus Steni	Andri

The Board is responsible for monitoring the Executive Board of HuMa as well as giving directions to the EB to reach the organization's vision and missions. This board change is hoped to give 'new spirit' to HuMa in carrying out its work both on the ground and at the national level.

C. Tentative Plan for August I 2016

- Audiency with KLHK regarding palm oil moratorium (Coalition)
- Press conference/media briefing regarding palm oil moratorium (Coalition)
- Attending FLEGT VPA Seminar
- MADANI's strategic planning

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	<p>Revision of PP Gambut</p> <p>Status: at the latest stage, expected to be issued soon.</p>	<p>No update yet. Still in the hands of Kemenkopolhukham (currently reshuffled)</p> <p>No follow up from KSP</p>	<p>Criteria of protection peat and peat for utilization</p> <p>Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat)</p> <p>Risk of community criminalization due to general prohibition of use of fire</p>
2.	<p>RPP Instrumen Ekonomi Lingkungan Hidup/IELH</p> <p>Status: has finished consultation stage, targeted to be issued in June but not published yet</p>	<p>No news yet (should have been issued last June)</p>	<p>The Environment Fund will be regulated in a separate Presidential Regulation (Perpres).</p> <p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	<p>Revision of Perpres RAN-GRK (Lampiran)</p>	<p>Ongoing</p>	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p>

			No clear link or reference to Stranas REDD+
4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program documnt	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Inpres being discussed under Kemenkoekuin coordination	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Ongoing	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: 0 hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Still stuck at Ministry of LHK (Siti Nurbaya) for Kajang (proposed by huma)	
10.	Realization of 12.7 million hectares of social forestry	No data on progress.	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

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In this report:

- RPP IELH
- Palm oil moratorium
- ISPO revision
- FLEGT VPA
- Forest fire
- Forest Area Gazettement
- Matrix of regulations and processes to watch

A. Activities

Activities in the period of 1-19 August 2016:

1. Attending FLEGT VPA seminar, collecting information about SVLK, analysing the current situation and giving inputs for RFN draft letter on SVLK
2. Facilitating the Coalition (including RFN partners) in developing policy brief on palm oil moratorium, including conducting the initial research, preparing the draft brief, consolidating inputs, finishing, and organizing a media briefing.
3. Attending MADANI's preparation meeting for strategic planning
4. Following developments of palm oil moratorium, ISPO revision, forest fire, adat forest, and revision of Conservation Law.

B. Developments on REDD+ Implementation

mm. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

Funding Instrument (RPP IELH)

- There is still no official update regarding the progress of RPP IELH. I have sent inquiring emails to the finance sub-directorate in Ditjen PPI asking about the progress of REDD+ funding instrument and am still waiting for their response.

nn. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

Forest Area Gazettement

- Forest Area Gazettement (*pengukuhan kawasan hutan*) is very important in REDD+ as it is the foundation of forest area certainty and the root problem of hundred of conflicts in the forestry sector. It is cited in the National Action Plan on GHG Emission Reduction (RAN-GRK) as one of the activities that will result in the highest emission reduction.
- KPK wants the government to finish forest area gazettelement process this year. Currently, the official data says that in 2015, 66% of forest area has been gazetted, a marked improvement of only 11.4% in 2014. However, a very important question remains concerning conflict resolution involving communities. Identification (and resolution) of third party rights is an important stage in the process. Ideally, forest area gazettelement process will initiate conflict resolution process, but there is no data from the government regarding this, making the hasty conclusion of forest area gazttement more worrisome than reassuring. On this, KPK stated in the media that regulation regarding land conflict in the forestry sector will be upgraded from Ministerial Regulation level to a President Regulation (Perpres).

Revision of Conservation Law

- Revision of Conservation Law (UU 5/1990) is currently underway in the Parliament. HuMa among others is heavily involved in this process and has made several interventions in the parliament as a part of CSO Coalition. Important issues in this process include recognition of area of local communities in conservation areas (e.g National Parks), implementation of customary forest enactment, and conflict resolution, which are still missing from the discussion. Another issue is large-scale investment (mining and palm oil) that is located in conservation areas. Because conservation is a large element of REDD+ in Indonesia, this process is important to follow. REDD+ 'good influence' regarding respect for community rights, participatory process, transparency, and governance reform in general must be brought to this process. The government must be reminded that community rights plays a central role in conservation in Indonesia and this must be reflected in the amended law.

oo. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

Forest Fire

- **A decline in fire incidents.** Forest fire control is still high on the President's agenda one year after the disastrous fire in 2015, which burned 2.61 million hectares of land and forest and caused economic loss of 221 trillion rupiah. Jokowi's political leadership might be one of the factors contributing to a decline of forest fire incidents this year (74% compared to the same period of January to August last year). Another factor is La Nina, which reduces the number of hot spots

and risk of fire (10,174 hot spots found from January to August as compared to 129,813 in the same period in 2015). August to September will be a critical phase for forest fire this year. On the other hand, according to WALHI, it is too early to say that this year's forest fire will be much less than last year.

- **Fire prevention system.** The government, with many international donors' back up (including Lol interim phase money) put in place a forest prevention monitoring system in several prone areas. The system includes prevention and handling measures such as water bombing, regular patrol, socialization to local communities not to burn their land, and canal blocking. The government monitors hot spots every day and daily reports of patrol conducted on the ground can be downloaded from KLHK's website. The President pays special attention to Papua with regards to fire prevention due to the difficulty of handling fire in Papua.

- **Law enforcement.**
 - The president directly ordered the new Police Chief (Tito Karnavian) to improve the law enforcement effort with regards to forest fire. In turn, the Chief summoned seven regional chiefs to evaluate law enforcement process related to forest fire (Riau, Sumatera Selatan, Jambi, Kalimantan Barat, Kalimantan Tengah, Kalimantan Selatan, and Papua). Currently, the police is still a 'weak link' in forest fire law enforcement in terms of investigation, collecting evidence, building a case, and the will to bring large companies down. Their counterpart in KLHK (KLHK civil investigators) show much more political will to prosecute corporate actors, but they are limited in number and need assistance in terms of resources.

 - Traditional land burning practice is still an issue. The police often cites this as one of the legal loopholes in preventing forest fire. The Environmental Law allows traditional land burning of less than 2 hectares with a condition that it is based on fire prevention measures and (in some regions) can only be conducted after obtaining permit from the local authorities. Many communities still practice this, but it must be examined case per case. In some cases, local communities are paid by companies to burn land because it is cheaper. In other cases, they burn the land and the fire gets out of control (usually on peat areas) because the peat ecosystem around their land has been drained by neighboring large companies. But there are also genuine cases of traditional land clearing based on local wisdom, which risk being criminalized, for example in the case of Riam Tapang village in Kapuas Hulu, West Kalimantan. The villagers insist on clearing their land traditionally by using fire while 40 army personnel closely monitored them and stated that they could be prosecuted for doing so. The communities stated that if the army becomes repressive, they will resort to physical fight. It has created tension in the area and is now being handled by AMAN Kalbar. It is the sort of criminalization situation that must be avoided. Fire prevention measures can be taken to accompany genuine traditional practices while law enforcement must be focused on large-scale burning in corporations' concessions.

- Law enforcement capacity should be the focus of improvement, not only the technology to prevent and handle fire. This includes capacity in investigation, collecting evidence, building a strong case for prosecution, and reforming the procedural law as well as producing more judges specialized in environmental law. All of these weaknesses contribute to weak result of prosecution of cases involving large corporations. This could be a focus of donor intervention.

Hutan Adat

- According to information from Dahniar (HuMa), Ibu Siti Nurbaya in an informal communication said that they have finally agreed to enact Kajang customary forest as the first legally recognized customary forest in Indonesia. That informal communication, however, has not been followed up by an official decision. Continued pressure in this area by civil society and donors is needed to speed up the implementation of hutan adat enactment as well as transparency about the review process. Kajang enactment could bring a landslide effect if it is coupled by communities' preparedness on the ground.

pp. General developments of sectors related to drivers of deforestation, such as the palm oil sector

Palm oil moratorium

- The government still has not issued an official regulation concerning palm oil moratorium since its announcement by the President in April. The cited reason is because they are still conducting review and evaluation of potential impacts of the regulation. We fear that the delay will result in weakening of the substance while palm oil companies that still have forests in their concession are moving fast to clear the remaining forested land so that their concessions will not be subject to review and evaluation. So far, KLHK and Ministry of Agraria Spatial Planning have issued statements that they will subject existing palm oil concessions that still have productive forest and that are located in forest area to review and evaluation, which could result in revocation of license. The Ministry of Agriculture as an extension of palm oil business's interests is opposed to the idea. They want the moratorium to leave out the existing concessions. GAPKI has even sent a complaint letter to the President regarding the moratorium plan, which is worrisome because GAPKI has proven to be very capable to conduct extensive and secretive lobbying as in the case of the first moratorium.
- CSO Coalition is supporting KLHK to take a strong position on existing concessions and illegal concessions. However, the Coalition's request for audiency with KLHK has not been responded to. The Coalition has conducted a media briefing to convey CSO inputs on this matter and will follow it up with sending the inputs via letter to the related ministries and writing an open letter to the President if the audiency request is still not answered.
- The Coalition supports most of KLHK's plan regarding the moratorium objects. But there is one point of divergence. The government stated that it will allow illegal palm oil concessions (located

in forest area) to continue operating until one cycle of planting is complete (until the result can be harvested) while the Coalition is in the position that illegal large-scale plantations located in forest area must be immediately suspended. According to data from WALHI, around 229 palm oil companies in forest area are proposing a forest area release, which must be denied right away.

- Other strong points from the Coalition is transparency and provision of integrated information (e.g in a web platform) to allow the civil society to monitor the implementation of the moratorium and the stoppage of involvement of the police and military in securing palm oil businesses in Papua, which results in violence and intimidation. Monitoring by civil society will be a very important activity once this policy is implemented. It will be great if RFN partners have improved capacity to carry out this activity.

ISPO Revision

- After the IPOPOP debacle, the discourse of strengthening the ISPO standard resurged, both from the government and civil society. The government is discussing how to strengthen ISPO both socially and environmentally to increase market acceptance, which currently is low. The government is currently reviewing standards based on which the ISPO could be improved, including some international standards (according to statements in the media). Beside the standards, the Ministry of Agriculture is proposing to upgrade the legal status of ISPO regulation from Permen (Ministerial Regulation) to Perpres (Presidential Regulation) to improve participation and coordination of all ministries. Although ISPO is mandatory, currently only 28% of recorded palm oil companies in Indonesia hold ISPO certificate (184 out of 660 companies), covering only 1.4 million hectares of palm oil estate out of 11 million hectares.

FLEGT VPA

- Indonesia is getting ready to issue its first FLEGT license based on its national Timber Legality Assurance System called SVLK. With the license, which is equivalent to the V-Legal document for export, timber exports to the EU will enter a green lane exempting it from the due diligence obligation.
- SVLK is not a perfect system to ensure sustainability as it is largely based on applicable laws and regulations in Indonesia regarding sustainable forest management, which should be improved especially in terms of land allocation. However, in the area of community rights it has made progress, for example with the inclusion of FPIC requirement, which cannot be found explicitly in the current laws and regulation. It has not addressed the problem of 'obtaining legal documents illegally' though, leaving the system's credibility rely on the certification process, which independent monitoring is hampered by limited resources.
- Despite its shortcomings, unlike ISPO, the domestic acceptance of SVLK process is quite high, including from the civil society elements, probably due to the inclusive nature of the process. Most CSOs view SVLK as a positive force and an opportunity to get progress on issues they advocate such as information openness, conflict resolution, and non-allocation of primary forests

for logging and HTI license. (if interested, you can read more comprehensive analysis on this on SVLK Notes I sent Lore).

qq. Media Coverage

Forest fire still occupies a central role in media coverage in this period, followed by palm oil moratorium plan. There is no news about REDD+ funding instrument, progress of hutan adat, or conflict resolution, probably reflecting lack of progress in the government.

rr. Partner Focus

Participation in Pavilion Indonesia in COP 22

- KLHK is calling for participation in Pavilion Indonesia in COP 22 in Marrakesh this November in the form of multimedia exhibition and seminar. I have disseminated this information to RFN partners and WARSI has stated their interest to participate. I think this event will be a great opportunity to showcase community-related works the RFN partners have been doing and to counter the corporate-centrism in the previous Pavilion Indonesia events.

Madani Strategic Planning

- MADANI's strategic planning has been delayed due to administration problems with the local authorities preventing the organization to withdraw the money RFN has sent. Because of the problem, the address in the establishment deed was finally changed. The strategic planning is scheduled on September 3-5 and will invite some prominent figures to give views and advise, including from the private sector.

C. Tentative Plan for September | 2016

- Getting information on REDD+ Funding Instrument progress from KLHK.
- Festival Rakyat Perhutanan Sosial Nusantara (held by KLHK)
- MADANI's strategic planning
- Continued palm oil moratorium campaign with the Coalition
- Getting the Coalition to respond to the issue of ISPO revision

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	<p>Revision of PP Gambut</p> <p>Status: at the latest stage, expected to be issued soon.</p>	<p>No update yet. Still in the hands of Kemenkopolhukham (currently reshuffled)</p> <p>No follow up from KSP</p>	<p>Criteria of protection peat and peat for utilization</p> <p>Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat)</p> <p>Risk of community criminalization due to general prohibition of use of fire</p>
2.	<p>RPP Instrumen Ekonomi Lingkungan Hidup/IELH</p> <p>Status: has finished consultation stage, targeted to be issued in June but not published yet</p>	<p>Inquiry emails have been sent to KLHK, waiting for respons.</p>	<p>The Environment Fund will be regulated in a separate Presidential Regulation (Perpres).</p> <p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	<p>Revision of Perpres RAN-GRK (Lampiran)</p>	<p>Ongoing</p>	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p>

			No clear link or reference to Stranas REDD+
4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program document	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Inpres being discussed under Kemenkoekuin coordination	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Ongoing	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: 0 hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Waiting for official enactment of Kajang customary forest. Oral approval from the Minister in an informal communication to HuMa.	
10.	Realization of 12.7 million hectares of social forestry	KLHK will hold Festival Rakyat Perhutanan Sosial Nusantara in early September, probably disseminating progress on the realization of social forestry. I hope many RFN partners with focus on community forestry will attend.	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

August Week II 2016

by

Anggalia Putri Permatasari

In this report:

- Progress of RPP IELH
- Forest fire incidents in Riau and North Sumatera
- Progress of Peatland Restoration Agency
- Progress of IP Rights Bill (RUU PPMHA)
- Deforestation in Papua due to palm oil (Korindo)
- Participation of partners in Pavilion Indonesia (COP-22 in Marrakesh)
- Matrix of regulations and processes to watch

A. Activities

Activities in the period of 20-31 August 2016:

5. Attending UNDP Climate Dialogue on the Progress of BRG
6. Following developments on FLEGT-VPA implementation and giving inputs to RFN's letter to KLD
7. Facilitating the Coalition in sending letters to KLHK and related ministries on palm oil moratorium
8. Trying to establish contact with KLHK regarding REDD+ Funding Instrument
9. Following developments of palm oil moratorium, ISPO revision, forest fire, adat forest, and IP Rights Bill (RUU PPMHA).
10. Disseminating information regarding COP-22 to RFN partners, especially regarding participation in Indonesian Pavilion.
11. Helping with the preparation of Using Evidence in Advocacy Workshop.

B. Developments on REDD+ Implementation

- ss. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia***

Funding Instrument (RPP IELH)

- RPP IELH, the 'mother' regulation of REDD+ Funding Instrument, is still being discussed in the Ministry of Law and Human Rights (Kemenhukham). I have sent an inquiry email to KLHK but have received no response. I have also talked to a contact in UNDP (Hening Parlan, who is following RPP IELH development) and she said that the latest draft cannot be shared yet because it is still under discussion. It has been 2 months since the last official update from KLHK regarding REDD+ Funding Instrument and there will be no more public consultations for this regulation. It is very important that the Norway Embassy emphasizes that the next process of development of REDD+ Funding Instrument regulation (probably in the form of Perpres or Presidential Regulation) must be open, consultative, and inclusive.
- tt. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office***

Agrarian Reform

- Agrarian reform has been made one of the national priority programs in 2017 (see previous report). This month, the President reiterated the instruction to expedite the process of **land legalization (certification)** for the poor. The President instructed the Minister of Agraria and Spatial Planning to implement land certification program in rural areas with a target of 5 million certificates per year. The AR program is coordinated by the Presidential Staff Office (KSP) and is implemented by many ministries, including the Ministry of Agraria and Spatial Planning and KLHK. The AR program is relevant to REDD+ because it also includes land redistribution in forest area (the social forestry program).



- Although the AR program is quite progressive (at least on paper), many CSOs including Walhi Kalteng, are criticizing this program because the focus is on private land certification (legalization of asset), which could lead to massive selling of land in rural areas. However, the AR certificate dictates that the land cannot be sold for 10 years and after that can only be sold to other smallholders (not to corporations/rich people). The challenge and persistent problem lies in monitoring and supervision on the ground. Who can ensure that the AR land that has been redistributed to smallholders are not appropriated by large players using smallholders as a front?

uu. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

Forest Fire

- **Fire incidents in Riau and North Sumatera**

- Since mid-August, forest and ground fires are recurring in Riau and North Sumatera. On August 29, there were 145 hotspots¹⁰ found in Riau, the largest number were in Rokan Hilir District, resulting in haze blanket in and around the province. According to the Disaster Management Agency (BNPB), in the period of January to August, 3,218 hectares of forest and land (including peatland) burned in Riau alone (and 2,400 hectares in North Sumatera). What is unfortunate is that according to BNPB, most of the burning land in Riau belong to local communities (including IP) and concession land that are occupied by communities.¹¹ Meanwhile, according to Greenpeace, many fires happened in the same plantation concessions as last year because the companies neglected the government's instruction to block the canals. Although 1,296 hotspots were found in plantation concessions, the Riau police only investigated nine companies while 85 farmers have been charged and made suspects in a court process.¹² However, compared to the same period last year, the number of hotspots is said to have declined 74% due to rapid response of the government and local team (which includes the disaster management agency and the military) and the favorable weather.
- The government has set up a 'situation room' to respond rapidly to fire, including ministries, BRG, police chief (Tito Karnavian), and regional police. The government also held a special cabinet meeting on forest fire and peat restoration on August 12. The President reiterated the moratorium on new permits on peat, that the management of burned land must be taken over by the state, and that law enforcement must be strong, including penal, civil, and administrative sanctions.

- **Law enforcement.**

- According to KLHK Minister, Siti Nurbaya, KLHK has imposed administrative sanctions to 30 companies that are proven guilty for burning their land. Their licenses are temporarily suspended or even revoked. KLHK is also bringing 10 companies to the court in a civil lawsuit.¹³ In August 2016, KLHK won a civil case against PT Nasional Sago Prima (subsidiary of PT Sampoerna Agro) whose sago land with the size of 3000 hectares burned in Riau in 2015.
- Lack of evidence and the occupation of communities on concession land make legal process difficult. Riau regional police has stopped investigation of 15 companies whose land burned last year using the above reasons.¹⁴ The stoppage of the investigation is

¹⁰ According to Greenpeace, 3000 hotspots are found during August, 1,296 of them are located in plantation concessions.

¹¹ <https://nasional.tempo.co/read/news/2016/08/29/206799669/bnpb-3-218-hektar-lahan-di-riau-terbakar>

¹² <https://bisnis.tempo.co/read/news/2016/08/28/090799603/greenpeace-kebakaran-hutan-terulang-di-lahan-yang-sama>

¹³ <https://bisnis.tempo.co/read/news/2016/08/29/090799678/kebakaran-hutan-30-perusahaan-dijatuhi-sanksi-administratif>

¹⁴ The names of the companies are as follows: PT. Bina Duta Laksana, PT. Sumatera Riang Lestari, PT. Rimba Lazuardi, PT. Riau Jaya Utama, PT. Siak Raya Timber, PT. Parawira Group, PT. Bukit Raya Pelelawan, PT. Ruas Utama Jaya, PT. Perawang Sukses Perkasa Industri, PT Alam Sari Lestari, PT PAN United, PT Suntura Gajapati, PT Hutani Sola Lestari, KUD Bina Jaya Langgam, PT Dexter Rimba Perkasa.

suspicious because in the era of illegal logging (2007-2008), the same MO often happened: police stopped investigation and 'blackmailed' the companies so that the cases would not be re-opened (there of the 15 companies are the same companies that were investigated in 2007-2008). There is currently no sufficient monitoring by NGOs on the ground that could collect strong enough evidences for litigation. Successful litigation of big companies (if we see the previous cases, for example the case of PT Kalista Alam /palm oil company in Aceh, which was fined Rp 366 billion) requires assistance from the civil society in terms of collecting evidence and preparing the case. In relation to this SP3 (investigation stoppage), the Commission III of DPR RI has officially set up a work committee to investigate this and to review government performance in forest fire handling in general. The Parliament's involvement may add weight to the current improved goverment performance in preventing and handling fire. The police institution has proven that they are unreliable (or even unwilling) to prosecute corporations in forest fire cases. This is why the civil society must seek alliance with KLHK and the Parliament in the law enforcement cases. Otherwise, this SP3 case could wither away as soon as the media no longer puts it under the spotlight.

Progress of BRG

- In handling fire, BRG has 'discovered' a very effective way, which is drilling deep wells around the fire-prone area. BRG is planning to develop 4,000 deep wells in peat area using the state budget in 2016.
- BRG is also continuing the 3R program of the restoration: Rewetting (canal blocking, development of deep wells), Revegetation, and Revitalization of alternative economic activities (paludiculture)
- BRG and the government are approaching concession holders to rezone their area in order to permanently protect peat in their concessions. Around 1.1 million hectares of peat are found in concession area that must be protected permanently. Nazir also said that the President has ordered the licensing regime to be changed although what it means is still unclear.
- BRG is also in the process of issuing BRG Regulation on Restoration Implementation, which will include the final indicative map of restoration and will be a reference to conduct restoration by regional government, private sector, and other parties.
- Six priority provinces have established a regional peatland restoration agency, except Papua. Nationally, BRG will develop a strategic plan and also action plans. Besides the indicative map, BRG will also develop a work map on 1:50,000 scale.
- The government is planning to simplify the Ecosystem Restoration license to encourage parties, including communities and village enterprises (BumDes) to apply for ER license. Special attention must be paid to capacity of communities in this regard because currently, the ER is dominated by large players with hundred thousand of hectares of land and is also a source of tension and conflict with communities on the ground. There is nothing concrete yet about this but this must be followed-up closely.

Hutan Adat

- The Minister of KLHK, Siti Nurbaya, has stated that the procedure of recognition of customary forest of Ammatoa Kajang in Bulukumba, South Sulawesi has been completed and now is just waiting for the issuance of the official letter. The recognition process has been lengthy and frustrating (takes up 2 years) although the area is 'clean and clear' in which there is no overlapping third parties' claims. This cast doubt on the prospect of recognition of other customary forests that are less clean and clear.
- Out of 200 cases of conflict and human rights violation handed to KLHK by the National Commission on Human Rights (Komnas HAM), not one case is resolved yet. The government is also indecisive regarding the establishment of Indigenous People Task Force (Satgas Masyarakat Adat), which process has been going on since 2014.

RUU PPMHA

- The government has taken over the RUU PPMHA initiative (previously AMAN used DPR to put it in the legislation process, but it failed to make entry to Prolegnas/national priority legislation). It means that the process is back to beginning: development of academic manuscript (Naskah Akademik/NA) and establishment of interministry committee. Badan Pembinaan Hukum Nasional or BPHN is the one that is conducting a synchronization of the academic manuscript and AMAN as well as PEREMPUAN AMAN are currently writing the Bill (with the inclusion of gender perspective by PEREMPUAN AMAN) and will hand the NA to BPHN on September 15.

vv. General developments of sectors related to drivers of deforestation, such as the palm oil sector

Palm oil moratorium

- KLHK through its media statements ensured that the Ministry has enforced moratorium of forest release for palm oil expansion although the official regulation is not out yet and the draft cannot be obtained anywhere by the civil society. There is a rumour that the title is not 'moratorium' but evaluation and monitoring of palm oil expansion. Nazir Foad, Head of BRG, said in UNDP Climate Dialogue that all related ministries have agreed on the content and that it is a "done deal." To be issued, it must be presented and discussed in a cabinet meeting first before the President can sign it.
- The Coalition has held a media briefing on this issue and is currently in the process of sending an official letter to KLHK and other related ministries containing the complete recommendations after the previous letter asking for an audience was ignored by KLHK. HuMa will possibly lead on this process.
- The next process after the regulation is issued is also very important, especially with regards to license review and monitoring. The civil society needs to prepare for the next process and needs to continue demanding that the review and monitoring process be as open and inclusive as

possible. Regular meetings on this issue (as well as other related issues such as RPP Gambut) must be reactivated as well as personal contacts and network, which has proven effective in achieving outcomes in the previous moratorium advocacy.

Community Zero Deforestation Commitment

- SPKS has launched a Standar Operating Procedure for sustainable palm oil production by smallholders, which includes identification of land for conservation and land for cultivation and policy not to open intact forests and peatland. The next step is putting the SOP into implementation.

Illegal Deforestation in Papua

- Pusaka, SKP-KaMe, and Mighty Asia Tenggara launched a press release today (September 1), which exposed the burning and illegal clearing of intact natural forests with the size of 30,000 hectares in Papua by Korindo (South Korea/Indonesia palm oil company). This company has 896 hotspots in its concession detected since 2013, which contributed significantly to the 2015 haze crisis.
- Wilmar and Musim Mas are two of Korindo's largest consumers and they have recently suspended Korindo as their supplier.
- The organizations demand law enforcement against Korindo's operation in Papua.

ww. Partner Focus

Participation in Pavilion Indonesia in COP 22

- WARSI has submitted an application to KLHK to participate in Indonesian Pavilion and is now waiting for KLHK review.

C. Tentative Plan for September 1 2016

- Festival Rakyat Perhutanan Sosial Nusantara (held by KLHK), 6-8 September
- MADANI's strategic planning (date TBC)
- Continued palm oil moratorium campaign with the Coalition
- Getting the Coalition to respond to the issue of ISPO revision
- Using Evidence in Advocacy Workshop (14-16 September)

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	Revision of PP Gambut Status: at the latest stage, expected to be issued soon.	No update yet. Still in the hands of Kemenkopolhukham (currently reshuffled) No follow up from KSP	Criteria of protection peat and peat for utilization Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat) Risk of community criminalization due to general prohibition of use of fire
2.	RPP Instrumen Ekonomi Lingkungan Hidup/IELH Status: has finished consultation stage, targeted to be issued in June but not published yet	The draft is currently in the hands of Kemenhukham, which means it is near completion. Need to remind KLHK (Ditjen PPI) that development of REDD+ funding instrument regulation must be open, consultative, and inclusive.	The Environment Fund will be regulated in a separate Presidential Regulation (Perpres). Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.
3.	Revision of Perpres RAN-GRK (Lampiran)	Ongoing	The role of social forestry in mitigation has not been acknowledged. Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation. Not addressing spatial injustice . No clear link or reference to Stranas REDD+

4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program document	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)		Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Ongoing	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: almost 1 (one) hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Waiting for official enactment of Kajang customary forest to be issued.	
10.	Realization of 12.7 million hectares of social forestry	KLHK will hold Festival Rakyat Perhutanan Sosial Nusantara in early September, probably disseminating progress on the realization of social forestry. I hope many RFN partners with focus on community forestry will attend.	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

September Week I 2016

by

Anggalia Putri Permatasari

In this report:

- Progress of Peatland Restoration Agency
- Progress of law enforcement related to forest fire
- Korindo case
- Citizen lawsuit by Walhi Kalteng regarding the 2015 haze crisis
- Advocacy agenda of customary forest in Papua
- Insights from Using Evidence in Advocacy Workshop

A. Activities

Activities in the period of 1-16 September 2016:

12. Following developments of BRG, forest fire, and Korindo case.
13. Using Evidence in Advocacy Workshop (preparation and participation)
14. HuMa and Papuan partners meeting on customary forest advocacy in Papua (16 September)

B. Developments on REDD+ Implementation

xx. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

No new updates yet (the draft bill is still being discussed under the Ministry of Law and Human Rights).

yy. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

No new updates.

zz. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

Forest Fire

Law Enforcement

- **SP3.** Regarding the stoppage of investigation (SP3) of 15 companies involved in the 2015 forest fire crisis by Riau Police (as well as 1 company in South Sumatera and 1 company in West Kalimantan), the Chief Police (Tito Karnavian) issued a policy that in the future, **every SP3 involving corporation in the case of forest/land fire will be decided at the national (headquarter) level** to prevent abuse by regional police. The process will also involve KLHK, which is a good thing. However, the Headquarter will not reopen the case of the 15 companies

unless someone brings the case to a preliminary hearing (*pra-peradilan*) with sufficient evidence and if the judge orders the investigation to be re-opened. In this case, the police did not use the 'strict liability' principle, which can lead to companies being punished although the fire started not from inside their concession. Why they did not use this principle to indict the companies is still a mystery, but there are indications of collusion between Riau police and the owners of some of the companies. The ideal thing is for CSOs to conduct their own investigation on the ground and then contest the SP3 in a preliminary hearing. So far, the leading CSO in this case is Jikalahari of Riau. MADANI (Teguh) has reached out to some people in Jikalahari to encourage them to do this but collecting evidence on the ground good enough for litigation requires uninhibited physical access to the concessions, which is very difficult to obtain at the moment.

A good news regarding this case is the establishment of a Working Committee for Forest/Ground Fire Monitoring in the Parliament last August (chaired by Benny Harman). The Committee has 25 members and will work for 6 weeks to monitor law enforcement related to forest fire. The Committee found indications that there are some fictional companies named as suspects in Riau as a cover to protect the actual big companies that burned their land. The Committee will summon the 15 companies as well as Riau Regional Police Chief, Head of Riau Higher Court, and DPRD Riau. The Committee will also investigate SP3 in South Sumatera, Jambi, West Kalimantan, South Kalimantan, Central Kalimantan, and Papua.

- **PT ASPL (palm oil) 'hostage-taking' incident.** In another bizarre case, 7 civil investigators from KLHK were taken 'hostage' by several villagers/farmers that were allegedly sent by PT ASPL (palm oil) in Rokan Hulu District, Riau while they were sealing thousand of hectares of palm oil plantation that was burning. The company denied the allegations but the Minister stated that there are strong indications that they involve villagers of Bonai Village to burn the land (it is a recurrent MO, using communities as a front). KLHK is now investigating the legality of PT ASPL operational licenses and involvement of the head of district and regional police. KLHK claims that they have evidence the company was clearing forests in state forest area (production forerst) illegally while they have not had any forest release permit. This has the potential to be a big case and KLHK needs all support it can get to continue the law enforcement effort. The National Police has also sent a Propam (the police's police) to invstigate the incident, including the potential involvement of regional police in protecting the company.
- **RAPP.** Meanwhile, Nazir Foead (Head of BRG) that was conducting 'sidak' or surprise inspection in RAPP concession (following a report from villagers that RAPP was illegally opening deep peat) was denied access by the company's security. Nazir Foead thereby made a statement that RAPP is not cooperative with the government of Indonesia and that he will make a report to law enforcement directorate in KLHK because there are strong indications of illegal activities done by RAPP. With regards to this, KLHK summoned RAPP representative and Head of BRG to a meeting on September 9 and subsequently gave a warning to the company. She also orders her Ministry to check on the status of the land clearing.
- Law enforcement in Indonesia with regards to forest fire involving large corporations is gaining momentum due to several factors. The first is Jokowi's political leadership and firm statements in the media coupled with KLHK Minister's consistency in carrying out Jokowi's orders (Siti Nurbaya

is one of few ministers whose acts have been pretty consistent with Jokowi's statements in public). According to the Minister, the President firmly stated that he would demote officials who failed in doing their tasks and because many companies are scared of the Ministerial Regulation that states that the management of company's land that are burned will be taken over by the state. The Minister also directly takes up reports from communities on the ground by SMS and Facebook.

The second is the appointment of the new National Police Chief (Tito Karnavian), who seems to be more responsive to public pressure (he was previously chief of Densus 88 and Counter-Terrorism Agency). The National Police under his leadership has made a high-level political commitment to support KLHK and enforce law against environmental crimes and has taken the authority to issue SP3 from regional police to the national level.

The third factor is the establishment of BRG, who follows up reports from local communities and CSOs regarding illegal operations on the ground and takes matters to a higher level. Although BRG's own authority is limited, Foad's leadership proves effective in increasing transparency and exposure on high-profile, large companies' illegal operations. The media has also been active on this issue because it is sensational, but the media's exposure is volatile (when bigger, more sensational issues come up, they will lose focus). Some CSOs are using this momentum very well, for example by publishing a timely report on deforestation in Papua (the Korindo case, by Pusaka et al) and by filing a citizen lawsuit against the government of Indonesia for state negligence resulting in suffering of communities in the 2015 haze crisis (Walhi Kalteng). CSOs need to keep up the momentum with not only continuous campaign but also by strengthening their evidence collection capacity to help with the law enforcement efforts. Besides KLHK and BRG, CSOs should also start building alliance with the Parliament, who is seeking to raise their profile in forest fire issue. They can share information from the ground with, for example, Commission III and IV and invite the Forest Fire Committee to do checkings on the ground.

Progress of BRG

- The Parliament has asked KLHK to speed up the disbursement of BRG funding from the state budget (APBN) this year and asked that BRG budget for 2017 be made separate (no longer a part of KLHK's budget) without reducing the Ministry's budget.
- Peatland status under BRG's work:
 - Total size of peatland to be restored until 2020 = **12.9 million hectares** in 7 provinces (Riau, South Sumatera, Jambi, West Kalimantan, Central Kalimantan, South Kalimantan, Papua). In 2016, BRG focuses restoration efforts in 4 regions: Pulang Pisau District (Central Kalimantan), Musi Banyuasin District (South Sumatera), Ogan Komering Ilir District (Riau), Kepulauan Meranti District (Riau).
 - Out of the 12.9 million hectares that BRG is and will be working on until 2020, most are peatland that have been planted on (6.10 hectares), 1.54 million hectares are bare, and a

significant 5.32 million hectares are forested. It is important to note that 3.3 million hectares of the peatland BRG is working on (10.5 million hectares) is legally classified in the regional spatial plan as cultivation area. Only 2.87 million hectares are classified as protected area.

- The majority of peatland BRG is working on (10.5 million hectares) is legally classified in the regional spatial plan as cultivation area. Only 2.87 million hectares are classified as protected area.
- The restoration target in 2016 is **2.1 million hectares**. Most of it is located inside concession area (**1.4 million hectares**) and 692,000 hectares are located in protected area. See table below.

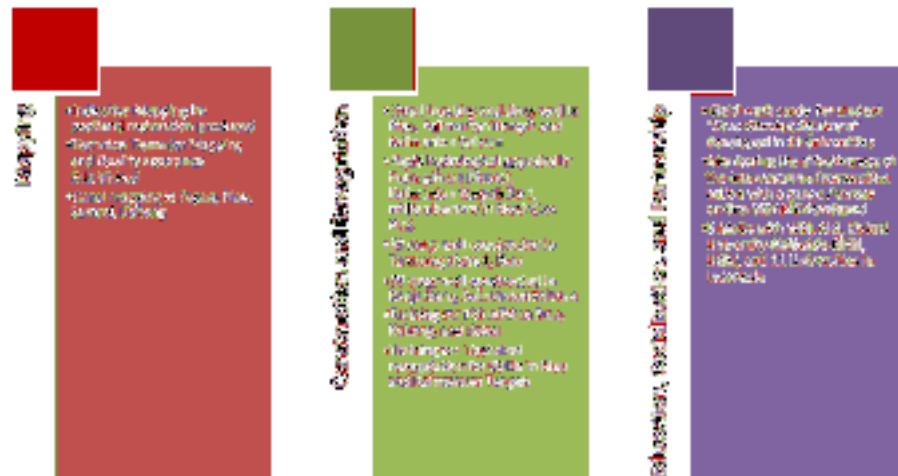
RESTORATION TARGET				
				2,109,327
PROTECTED AREA				
Restoration Priority	Unconformity over Licensing			Encroached
HPH	HTI	HGU		
Restoration Priority Post-Burn Incident In 2015	6	447	0	225,881
Restoration Priority of Peat Dome with canals → Protected Area	7	2,057	3,653	185,740
Restoration Priority of shallow peat (non-dome) → return to its proper status as Protected Area	141	1,151	8	263,292
Area that	154	3,654	3,661	684,913
				7,471
CULTIVATION AREA				
Restoration Priority	Cultivation			
HPH	HTI	HGU		
Restoration Priority Post-Burn Incident In 2015	15,335	215,584	23,047	
Restoration Priority of Peat Dome with canals → convert to Protected Area after restoration	20,961	820,540	315,467	
Area that	36,296	1,036,124	538,514	
				1,410,943

-
- BRG is

approaching concession holders to rezone their license so that the peat dome with canals will be rezoned or converted to protection area after restoration (still in the concession, but cannot be opened) to ensure permanent protection. Nazir Foead said that the companies that he has approached agreed to this.

- The restoration priority (up to 2020) is as follows:
 - Peat that were burnt in 2015 (post-burnt incident) = 875,701 hectares (code red)
 - Peat dome with canals (protected area) = 2,791,070 hectares (code blue)
 - Intact peat dome (protected area) = 6,174,492 hectares (code green)
 - Shallow peat (non-dome) in cultivation area = 3,091,226 hectares (code yellow)

- The restoration action is projected to reduce 123 million tons of CO2e
- BRG activities and outcomes are as follows:



- In general, BRG’s work has been welcomed by the public and is viewed positively in the media. Transparency is one of the important factors that makes the agency quite popular in the eyes of stakeholders. The work of BRG can be easily traced through social media (facebook, twitter, youtube channel) and its public rebuke of large companies (such as RAPP, APP) enhances its image as a government agency brave enough to be in direct opposition with large companies when necessary. Involvement of local communities is another important factor especially when doing large restoration projects and fire prevention on the ground. The social safeguards of BRG have not been tested yet in practice and must keep being monitored.
- An important issue in the restoration project is monitoring of restored peat and “modification of licensing regime” as Foad mentioned several times. It is still unclear what he really means with the “modification” and the contribution of BRG work to peatland governance and licensing on peatland. Currently, the President’s and Minister’s instruction not to open peatland even in concession areas acts as a temporary policy regime that might prevent peat in concessions from being opened, but it is very difficult to enforce the policy on the ground and when there are cases of violations, the law is too weak for a litigation (it is only a Minister’s circular letter). Support from all stakeholders, including donors, to law enforcement effort (not only technical activities such as wells construction) is important. It is also important to note that the lifespan of BRG is short (only until 2020) and Jokowi administration will end in 2019. Any change of government may result in an undoing of BRG’s work if no permanent laws and institutions are in place to ensure peat protection. That is why RPP Gambut revision becomes important because it will be

the main legal regime regulating management of peatland in Indonesia. There is no news regarding the progress of the RPP, which is very concerning.

- It is important for CSOs to build an alliance with BRG and KLHK while the two organizations show openness to consult and collaborate with civil society. Perhaps it will be useful for RFN partners that work in peatland area to reflect on what opportunities can be used to attain their advocacy goals using BRG as an ally.

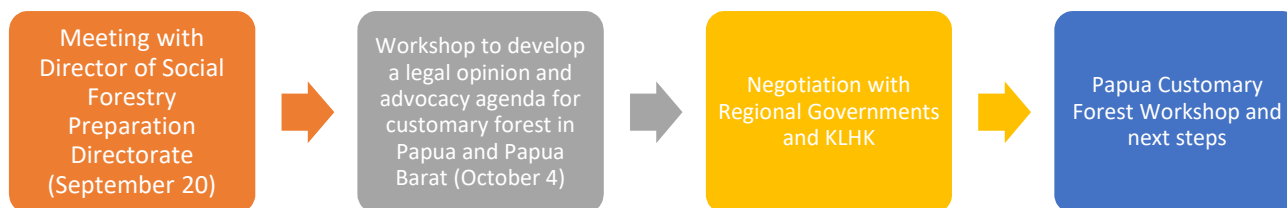
aaa. *General developments of sectors related to drivers of deforestation, such as the palm oil sector*

Korindo case (illegal forest clearing in Papua and Maluku Utara for palm oil by Korean/Indonesia company)

- The “burning paradise” report by aidenvironment, Pusaka, Mighty, SKP-KAMe, and Federasi Korea untuk Gerakan Lingkungan has made media sensation. The report says that Korindo, a South Korean/Indonesian company has been clearing forests aggressively for palm oil in Papua and Maluku Utara. It has 149,000 hectares of palm oil plantation in Papua and 11,000 hectares in Maluku Utara and targets to build 200,000 hectares of palm oil plantation in 2020. In Papua, Korindo operates through 7 subsidiaries: PT. Papua Agro Lestari, PT. Berkat Cipta Abadi, PT. Tunas Sawa Erma IB, PT. Donghin Prabhawa, PT. Tunas Sawa Erma IA, PT. Tunas Sawa Erma 2, and PT. Berkat Cipta Abadi 2.
- Until today, Korindo has cleared 50,000 hectares of forests in Papua and Maluku Utara, 12,000 hectares of it were virgin (primary) forests and as of June 2016, there are approximately 75,000 hectares primary (virgin) forests in Korindo concession that risk being cleared anytime in the future. The corporation was also the biggest source of forest fire in Papua in the 2015 haze crisis with ample evidences indicating that it illegally used fire in the process of land clearing.
- Korindo has also ignored the rights of local community and FPIC principle. Its subsidiary, PT Gelora Mandiri Membangun, is occupying agricultural and forest land of local communities in Maluku Utara although they rejected the company’s operation. This has resulted in criminalization of 13 villagers and has been investigated by Komnas HAM in 2013, but the conflict continues until today with the last incident in February 2016 when the company evict villagers from their agriculture land.
- Palm oil from Korindo is supplied to consumers in Europe, North America, China, and India and many of the buyers are large companies who have declared their Zero Deforestation commitment (no deforestation, no peat, no exploitation). Two of the largest buyers, Wilmar and Musim Mas, have discontinued their contract with Korindo.
- Deforestation in Papua is alarming since it is the largest frontier of virgin forests in Indonesia. In 2005, only 5 palm oil companies were operating in Papua. In 2014, the number has increased to 21 with other 20 are in an advanced stage of obtaining license.

bbb. Partner Focus

- Citizen lawsuit by Walhi Kalteng
 - Walhi Kalteng through Gerakan Anti Asap (GAAs) filed a citizen lawsuit against the President, Minister of Environment and Forestry, Minister of Agriculture, Minister of Agraria and Spatial Planning, Minister of Health, Governor of Central Kalimantan, and DPRD of Central Kalimantan for their negligence resulting in suffering of the people of Central Kalimantan in the 2015 haze crisis. The first court session was held on September 6.
 - The plaintiffs demand that the defendants, according to their specific task and authority, to:
 - Take immediate actions to stop the operation of companies whose concession was burned and conduct evaluation of their licenses;
 - Publish the names of the companies whose land was burned and the location of their concessions;
 - Develop a public information disclosure system regarding forest fire, land, and agriculture concessions in Central Kalimantan;
 - Make public the amount of environmental guarantee fund and environmental handling fund from concession holders whose land was burned as well as reforestation fund from forest companies;
 - Review and revise all forest management and agriculture permits based on the criteria of permit legality and environmental supporting and carrying capacity of Central Kalimantan;
 - Take legal actions (civil, penal, and administrative) against companies whose land was burned;
 - Develop a roadmap for prevention, handling, and restoration of victims of forest fire and environmental restoration;
 - Immediately issue operational regulations of the Environment Law (UU 32/2009) pertinent to forest fire prevention;
 - Build health care facilities, especially for lungs-related disease in Central Kalimantan, free of charge.
 - Establish special team to prevent forest and land fire in Central Kalimantan based on village areas involving local communities as members with allocated fund, regular training and coordination (minimal 4 monthly), and adequate equipment.
 - Make a public apology (in printed and electronic media) to the people of Central Kalimantan.
- Advocacy agenda for customary forest in Papua (SPL, YALI, Paradisea)
 - On September 16, YALI, Paradisea, and SPL had a consultation meeting with HuMa regarding customary forest advocacy. The partners agreed to conduct joint advocacy regarding customary forest in Papua and Papua Barat. Because Papua and Papua Barat have a specific context of special autonomy, they agreed to first develop a legal opinion in Papua and Papua Barat context. The roadmap is as follows:



- Possible participation of WARSI in Pavilion Indonesia in COP 22 (Marrakesh)
 - WARSI has submitted their proposal to participate in Pavilion Indonesia in COP 22 (Marrakesh) on November but has yet heard back from KLHK of its approval. This event is a good opportunity to showcase and raise the profile of local communities-based emission reduction program and to possibly seek practical solutions for a problem faced by WARSI (regarding funding for certification and finding buyer of the credits issued by the program).

Insights from Using Evidence in Advocacy Workshop

- In the workshop, many partners learned from each other “accidentally” and gained precious information for their advocacy from other partners that have the same program (for example Papuan partners learning a lot from customary forest advocacy in Central Sulawesi). This confirms the benefit of cross-sharing and cross-learning between RFN Partners, which is sometimes left untapped. For this to happen, partners need to: 1) be aware of programs of other partners that are relevant for their own advocacy (increased exposure of other partners’ programs) and 2) know who to contact for a consultation on specific matters. Perhaps RFN can build an online sharing platform or simply make a list of partners’ programs and highlight overlaps as well as a list of “experts or specialists” on specific matter in each partner organization that can be contacted by other partners for consultation. In the meantime, what I can do is take up inquiries or requests for information from partners and try to provide the information myself when I have it or connect them with the right people when I don’t have it.

C. Tentative Plan for September II 2016

- MADANI’s strategic planning (20-22 September)
- Continued palm oil moratorium campaign with the Coalition
- Follow-up of advocacy agenda of customary forest in Papua (with HuMa and Papuan Partners)

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	<p>Revision of PP Gambut</p> <p>Status: at the latest stage, expected to be issued soon.</p>	<p>No update yet. Still in the hands of Kemenkopolhukham (currently reshuffled)</p> <p>No follow up from KSP</p>	<p>Criteria of protection peat and peat for utilization</p> <p>Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat)</p> <p>Risk of community criminalization due to general prohibition of use of fire</p>
2.	<p>RPP Instrumen Ekonomi Lingkungan Hidup/IELH</p> <p>Status: has finished consultation stage, targeted to be issued in June but not published yet</p>	<p>The draft is currently in the hands of Kemenhukham, which means it is near completion.</p> <p>Need to remind KLHK (Ditjen PPI) that development of REDD+ funding instrument regulation must be open, consultative, and inclusive.</p>	<p>The Environment Fund will be regulated in a separate Presidential Regulation (Perpres).</p> <p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	<p>Revision of Perpres RAN-GRK (Lampiran)</p>	<p>Ongoing</p>	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p> <p>No clear link or reference to Stranas REDD+</p>

4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program document	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Waiting for Cabinet Meeting (final stage)	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Ongoing	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: almost 1 (one) hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Waiting for official enactment of Kajang customary forest to be issued.	
10.	Realization of 12.7 million hectares of social forestry	No data yet.	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

September Week II 2016

by

Anggalia Putri Permatasari

In this report:

- Process of strengthening ISPO
- Palm Oil Bill (“RUU Perkelapasawitan”)

- Social forestry status
- Advocacy agenda of customary forest in Papua
- MADANI's strategic planning

A. Activities

Activities in the period of 17-30 September 2016:

15. Following developments of palm oil, RPP IELH, BRG, and other issues.
16. ISPO revision meeting (Kemenko)
17. MADANI's strategic planning
18. Report preparation

B. Developments on REDD+ Implementation

ccc. *Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia*

No new updates yet regarding RPP IELH (the draft bill is still being discussed under the Ministry of Law and Human Rights). I have sent an email to financing sub-directorate of Dirjen PPI inquiring about the status of REDD+ funding instrument, but received no reply until today.

ddd. *Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office*

There is still no news regarding the palm oil moratorium or PP Gambut revision.

eee. *Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut*

Progress of BRG

- No new data.

Social Forestry (including Hutan Adat)

- President Jokowi made a statement in the media on September 21 ordering that “all obstacles to social forestry be removed” and that KLHK should simplify social forestry regulations and procedure. He also asked KLHK to immediately issue recognition of customary forest. However, there is no mention of when the official recognition letter for Kajang will be issued and what is holding it back.
- KLHK Minister said that KLHK will focus on 10 locations of customary forest, 10 community plantation forests (HTR), 10 locations of village forest, and 10 locations community forestry as pilot projects to empower social forestry, including through agroforestry. It is curious that customary forest was mentioned as one of the category while in fact no official recognition of customary forest has been issued. However, this opportunity must be seized by RFN partners that have community forestry projects such as Warsi, HuMa, etc.
- Since 2006, the realization of social forestry is only 547,761 hectares or 33% from the 2006 target of 1.6 million hectares. The current target of 12.7 million hectares by 2019 is even more ambitious but the implementation is still lagging behind especially due to still complicated procedure to apply for social forestry and confusion regarding the enactment of the new regional law of 2014, which pulled back some authorities from district to provincial level.
- The government (Social Forestry Directorate General) has also reserved 702,000 hectares of forest for community plantation forest (Hutan Tanaman Rakyat/HTR) and district heads have issued licenses with the size of 202,000 hectares.
- At least two locations of customary forests participated in the Indonesian Social Forestry Festival held by KLHK this September, including Kajang customary forest of South Sulawesi. The other was Wehea Customary Forest in East Kalimantan. This participation can be read as that their recognition as customary forest is actually a mere formality while in principle KLHK has recognized them

Evaluation of Lol Interim Phase

- September 2016 is supposed to be the completion month of the interim phase of the Lol. I think it would be good for CSOs/RFN to hold an “evaluation” or discuss with the government (Dirjen PPI especially, but could also with other pivotal agencies such as BRG, Social Forestry Directorate General, and Planology/BAPLAN) as well as Norway embassy regarding what agenda have been achieved/addressed and what still needs to be done to stay on track on the 2020 emission reduction target. It could be in the form of a formal/informal workshop/meeting. The meeting can also be used to attempt to open a regular communication pathway with Dirjen PPI and other actors.

FCPF

- I have sent an email to FCPF asking about the process of ERPD development. I looked up the email address on their website but I have not been able to establish a viable contact with the FCPF team and will continue to look for it.
- a. *General developments of sectors related to drivers of deforestation, such as the palm oil sector***

ISPO Revision

- The Coordinating Ministry of Economy (Kemenko) is coordinating a process of ISPO (Indonesian Sustainable Palm Oil) revision involving several civil society organizations including FWI, Institute for Ecosoc Rights, SPKS, Sawit Watch, WWF, and MADANI. Giorgio Indarto (Jojo) plays a facilitative role in the process since his project in Winrock is also supporting the process. The other important actor in this process is Diah Rahardjo, previously in the National Forestry Council. The goal of the process is to upgrade ISPO regulation into a Presidential Regulation (Perpres)---currently it is only a Ministerial Regulation, which is rather weak. The rounds of discussion included high concerns for CSOs (including human rights abuses, legal violation, land classification, licensing regime etc.) and what can be improved from the system. CSOs managed to discuss and submit inputs to improve the principles and criteria of ISPO standard and regarding the governance structure of ISPO and the plan is to have a national seminar involving a wider range of stakeholders on October 6. The ISPO model in the future will probably be highly influenced by the SVLK model since there has been a lot of learning from the SVLK system in the revision process.
- The ISPO revision process is one of the more effective CSO advocacy processes that I am involved in. It is a process in which CSOs offer wholly substantive assistance to the government, in this case the Ministry of Agriculture under the coordination of Kemenko. It was made possible by involvement of Kemenko as a coordinator, thereby opening a room for CSO involvement (if the process was led by the Ministry of Agriculture, it might not be as open). CSOs involved in this process have the same mission, which is improving the standard and system and offer detailed inputs. This model can be replicated for advocacy in other issues, but it largely depends on the openness of the government agency in charge and the people in the process. Other processes coordinated by Kemenko are not as open such as in the case of PP Gambut revision and palm oil moratorium because the people in charge are different.

RUU Perkelapasawitan

- The Bill has started being discussed in Commission IV of DPR Republic of Indonesia. The Coalition is planning to develop a response to counter the Bill. I have provided an initial analysis of the Bill (see July week II report), but there seems to be a more recent version that I plan to take a look closer at together with the Coalition.
- So far, the Coalition has responded (and will respond) to several issues: PP Gambut Revision, Palm Oil Moratorium, and RUU Perkelapasawitan. However, the advocacy has not been effective in a sense that there has been no real (face to face) engagement with policy makers to discuss the substance of CSO's inputs (so far, the views have only been disseminated through the media without any means to know the government's level of reception or reaction). This is quite concerning for me because in the past, at least there was a degree of engagement with policy-makers through Badan Pengelola REDD+. Now it seems that the connection is missing and needs to be re-forged. On the other hand, the Coalition's activity (at least in the media) has indeed increased compared to the last two years' vacuum so there is a good thing that can be hoped for.

The discussion of RUU Perkelapasawitan will probably be led by ICEL, but possible active players are also SPKS, Sawit Watch, Pusaka, and HuMa.

b. Partner Focus

MADANI's strategic planning

- MADANI's strategic planning was held on September 20-22 and was begun with a meeting with experts in CSOs institution building (Ismid Hadad), community-related business (Suzy Hutomo), and climate change funding agency (ICCT). The meeting was aimed to gain diverse perspectives regarding what to be expected from a civil society organization to achieve transformational change. More experts are planned to be sought individually, including from extractive business (Agus Purnomo from GAR) and policy makers. The experts' had a red line: the need to achieve synergy and to find concrete solutions that work to the current problems, in which part of the problem is lack of communication between stakeholders (government, business, and civil society). They also emphasized that CSOs must come up with a viable alternative or a clear vision of what the alternative will be.
- The 2 days strategic planning resulted in discovery of MADANI's "value proposition" and a draft "business plan" (value proposition, key activities, target, resources). The details can be found in the report to RFN that is currently being made, but in essence, MADANI wants to emphasize its work as a partnership builder or convener among CSOs and between CSOs and government and business as well as an information hub between stakeholders that can assist CSOs as well as government and business sector to find workable solutions to the current sustainability problems. The next plan for MADANI is to develop a work plan and proposal to be submitted to RFN in 2017.
- Regarding work arrangement with RFN, my colleagues in MADANI hope that I can continue my current work for RFN as a part of RFN's support to MADANI in order to avoid confusion regarding "which hat" I am wearing, for example in facilitating the coalition. However, the possible details have not been worked out yet, including the hours and internal mechanism for RFN.

Hutan Adat in Papua

- On October 4, HuMa will host a meeting to develop a legal opinion for hutan adat in Papua in HuMa's office together with Papuan partners and experts on Papua and Papua Barat. This is part of the joint advocacy agenda to be agreed upon by HuMa, Paradisea, Silva, and YALI on September 16 to promote customary forest in Papua. The legal context in Papua and Papua Barat is different than in other areas because they have special autonomy (like Aceh). This workshop will discuss what the implications of special autonomy will be on establishment of customary forest, what are legal avenues that can be used, and what is the appropriate trajectory that can be chosen by Papuan partners relating to their current preparedness to promote customary forest.

C. Tentative Plan for October I 2016

- Analysis of the more recent RUU Perkelapasawitan and meeting with Coalition (tbc)

- ISPO revision process (October 5 and 6)
- Developing legal opinion for hutan adat in Papua and Papua Barat (October 4)

Regulations and processes to watch

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2.	<p>RPP Instrumen Ekonomi Lingkungan Hidup/IELH</p> <p>Status: has finished consultation stage, targeted to be issued in June but not published yet</p>	<p>The draft is currently in the hands of Kemenhukham, which means it is near completion.</p> <p>Need to remind KLHK (Ditjen PPI) that development of REDD+ funding instrument regulation must be open, consultative, and inclusive.</p>	<p>The Environment Fund will be regulated in a separate Presidential Regulation (Perpres).</p> <p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	<p>Revision of Perpres RAN-GRK (Lampiran)</p>	<p>Ongoing</p>	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p> <p>No clear link or reference to Stranas REDD+</p>

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10.	Realization of 12.7 million hectares of social forestry	No data yet.	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

October Week I 2016

by

Anggalia Putri Permatasari

In this report:

- RUU Perkelapasawitan (Palm Oil Bill)
- Inpres Moratorium Sawit (Presidential Instruction on Palm Oil Moratorium)

- Customary Forest Advocacy in Papua
- FCPF

A. Activities

Activities in the period of 1-14 October 2016 are:

19. Meeting to develop a legal framework and road map for customary forest advocacy in Papua and Papua Barat with HuMa and partners from Papua and Papua Barat (Oct 4).
20. Meeting with MADANI to integrate consultancy TOR with MADANI's 2017 proposal to RFN (Oct 3, 11, and 14).
21. Following developments on ERPIN and setting up communication with FCPF team in Indonesia.
22. Preparation for FCPF meeting (visa etc.)

B. Developments on REDD+ Implementation

fff. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

Funding Instrument

Based on information from Hening Parlan who works at UNDP and is designated to follow the process of RPP IELH, the bill is still being discussed under the Ministry of Law and Human Rights (Kemenhukham) and is now entering the 5th harmonization stage. It means that it is still a long way to go for a REDD+ funding instrument to be developed in the form of Presidential Regulation (Perpres) and that it is an impossibility to expect it to be concluded according to the timeline of Lol interim phase. I have also established contact with sub-directorate of climate change funding (*subdit pendanaan iklim*) of Dirjen PPI and plan to visit their office after returning from the FCPF meeting in Washington.

Dirjen PPI

- Dirjen PPI is now busy preparing for COP-22 in Marrakech and there seems to be little activities regarding other issues. But, many activities related to REDD+ institutional development are now happening at the regional level under a collaboration between Dirjen PPI and regional REDD+ working groups (Pokja REDD+). Regarding safeguards, for example, Dirjen PPI is assisting Pokja REDD+ in South Sumatera to operationalize safeguards information system (SIS-REDD+), one of REDD+ institutional elements that is considered "done" by Dirjen PPI (although the web platform very often cannot be accessed and the information provided is very outdated and not useful at all). Many things are happening at the regional level that are difficult to be tracked due to low level of disclosure from Dirjen PPI and fragmented information circulating among the CSOs. Teguh is currently trying to rally CSOs at the national level to give input to the process at the COP.

- Dirjen PPI is supposed to submit the Third National Communication (TNC) to the UNFCCC at the end of this year to communicate the implementation of the Convention (including mitigation activities). However, there is no circulating draft or consultation yet regarding this process.

Lol implementation

- There is no public report or anything that resembles it concerning the status or result of Lol implementation in Indonesia. It seems that nobody is “keeping score” anymore and there is no closure as to its current phase implementation, leaving a big question mark in the air. It is very contrast with when Lol was first signed and announced to the public, which created sensation for quite a while. Because the money involved is quite significant, I think the public deserves to know what exactly have been achieved under this cooperation and what are the steps forward.
- Regarding the score-keeping, an interesting initiative is currently being developed by WRI Indonesia, which aims to track and keep scores regarding peatland restoration pledges (in the form of an interactive web platform). A similar method can be done for initiatives under Lol, including safeguards, moratorium, one map etc. However, data collection may be challenging because there is no regular public report from each government institution that is supposed to lead the initiatives. In the past, CSOs conducted a regular evaluation for moratorium and even the Lol itself, but the interest seems to have waned altogether. An example of a score-card for Lol developed by Greenpeace Indonesia in 2012:

Kartu Penilaian Greenpeace Mengenai Kemajuan Lol
 (Kartu Penilaian mengenai pelaksanaan dan kemajuan Lol pemerintah Indonesia - 2012/2013)
 (KCI 2013)

Assalamualaikum, selamat pagi! Kami sangat bangga dan senang yang telah melihat kemajuan yang telah dicapai pemerintah Indonesia.

Indikator	Indikator Kinerja	Detail/Realisasi dan Catatan
1. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	1. Melakukan sosialisasi dan kampanye di tingkat nasional	1. Melakukan sosialisasi dan kampanye di tingkat nasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll). 2. Melakukan kampanye melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
2. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	2. Melakukan sosialisasi dan kampanye di tingkat internasional	2. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
3. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	3. Melakukan sosialisasi dan kampanye di tingkat internasional	3. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
4. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	4. Melakukan sosialisasi dan kampanye di tingkat internasional	4. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
5. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	5. Melakukan sosialisasi dan kampanye di tingkat internasional	5. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
6. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	6. Melakukan sosialisasi dan kampanye di tingkat internasional	6. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
7. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	7. Melakukan sosialisasi dan kampanye di tingkat internasional	7. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
8. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	8. Melakukan sosialisasi dan kampanye di tingkat internasional	8. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
9. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	9. Melakukan sosialisasi dan kampanye di tingkat internasional	9. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).
10. Apakah telah dilaksanakan kegiatan sosialisasi dan kampanye? (Bentuk kegiatan dan target sasaran)	10. Melakukan sosialisasi dan kampanye di tingkat internasional	10. Melakukan sosialisasi dan kampanye di tingkat internasional melalui berbagai media massa (TV, radio, koran, majalah, brosur, poster, dll) dan media sosial (Facebook, Twitter, YouTube, dll).

ggg. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

Palm Oil Moratorium

- A version of draft Presidential Instruction on Palm Oil Moratorium has “leaked” to CSOs but there has been no CSO meeting to respond to this version after the August press conference by the Coalition. Directorate General of Planology of KLHK stated on October 11 that the Presidential Instruction **has been approved by all related Ministers and will be published this month** (pending President Jokowi’s signature). All in all, there has been no consultation with the civil society in this process, which is a very bad precedent. The palm oil moratorium can be construed as one of the initiatives under Lol implementation in which the principle of adequate consultation with stakeholders should have applied. But the Coalition’s request for audiency with KLHK was not responded to and there was no reply regarding the Coalition’s demands published in the media. My conclusion is that CSOs have not yet found an effective platform of communication with the relevant ministries (KLHK, Kemenko) regarding this and other issues such as PP Gambut revision. All communication to KLHK was indirect (through the media) or was not responded to (letter, email etc.). The situation was very different when BP REDD+ and UKP4 still existed where CSO’s inputs and demands could be communicated directly and timely through the institutions. I think it is quite a set back in terms of REDD+ implementation in Indonesia. CSOs at the national level must now seek to “open doors” for communication with at least KLHK, Kemenko, and Kemenhukham.
- Summary:

No.	Section	Description	Note
	Title	“Evaluation and Postponement of the Issuance of Palm Oil Licenses” (<i>Evaluasi dan Penundaan Perizinan Perkebunan Kelapa Sawit</i>)	
	Cited Background	1) environmental protection, 2) national emission reduction from deforestation and forest degradation, 3) improvement of service to smallholders, 4) improvement of palm oil productivity,	The mention of no 2) officially makes it a “REDD+ policy,” which can be claimed as a part of Lol implementation

		and 5) development of the downstream sector of palm oil industry.	and NDC implementation
	Instructed agencies (13)	<ol style="list-style-type: none"> 1) Coordinating Minister of the Economy (Kemenco) 2) Minister of Environment and Forestry (KLHK) 3) Minister of Agriculture 4) Minister of Home Affairs 5) Minister of Agraria and Spatial Planning/Head of National Land Agency 6) Minister of Industry 7) Minister of Trade 8) Minister of Village, Development of Backward Regions, and Transmigration 9) Head of Geospatial Information Agency (BIG) 10) Head of National Aviation and Space 11) Head of Direct Investment Coordinating Agency 12) Governors 13) Head of Districts 	The scope of instructed agencies is larger than the primary forest and peatland moratorium. Each agency must be monitored for each specific task they are assigned to. However, the main task is on KLHK's shoulders as the "gatekeeper" of forest release and forest exchange licenses. Governors and Head of Districts also play an important role as issuer of palm oil licenses, before (location permits) and after (plantation business permit or IUP) submission of license for forest release and/or exchange to KLHK (see licensing chart for palm oil in previous report).
	KLHK's tasks	<p>Coverage of moratorium:</p> <p>1) postpone forest area release (pelepasan) and exchange (tukar-menukar), for: a) new permits, b) permits that have been proposed but still lacking in requirements, c) permits that have been proposed and have fulfilled requirements but are located in productive forest area; or [STILL BRACKETED] d) principle permits that have been given but have not gone boundary</p>	It is important that principle permits (d) that have been given are reviewed and postponed because as in the case of Papua, many principle permits for forest release were given despite continuous protests and rejection from indigenous communities. The demarcation process was also done without notification or

		<p>demarcation process and are located in productive forest area.</p> <p>2) conduct evaluation on forest area release and exchange for palm oil plantations that: 1) have not been developed, 2) are indicated of deviating from its designated purpose and 3) are indicated of having been transferred to other parties; 4) are located in forest area that still have productive forest, and 5) palm oil plantations that are located in forest area that is under the control of individuals, groups, and or legal entities.</p>	<p>consultation with communities. If point d) is enforced, some forests under threat of forest conversion in Papua</p> <p>The evaluation result must be disclosed to public for effective monitoring</p>
	Exception	<p>1) proposal of forest area release/exchange through forest area relinquishment/exchange mechanism in unproductive forest area that have fulfilled technical requirements</p> <p>2) proposal of forest area release/exchange for palm oil plantation based on Government Regulation No. 104 year 2015 article 51 proposed before December 2016.</p>	<p>Definition and criteria of unproductive forest area is not clear.</p> <p>No 2) is “pemutihan” for palm oil licenses that have already been given in forest area (production forest), which followed the spatial planning that was not yet synchronized with the Forestry Law (the process of gazette of forest area or <i>pengukuhan</i>) or that was issued before Spatial Planning law was issued in 2007. The end date for “pemutihan” is until December 2016. Need disclosure regarding which</p>

			companies propose forest area release for their plantations in which areas and public monitoring to prevent wrongful pemutihan.
	Reclassification of palm oil concession that have not been developed and is still productive forest as forest area	[STILL BRACKETED/IN RED] There is a proposal for a clause stating that forest area for palm oil that has been released but have not yet been developed into palm oil plantation be reclassified as forest area based on recommendation from Head of District or Governor.	This is a good proposal and will increase the size of forest area. However, the clause “based on recommendation from Head of District or Governor may undermine this since their interest is to keep the control of the land by maintaining them as non-forest area (area for other uses or APL).
	Ministry of Agriculture’s tasks	<p>1) improve institutional empowerment of smallholders to optimize and intensify land use to increase productivity</p> <p>2) conduct data taking, mapping, and evaluation of all palm oil plantations</p> <p>3) improve and socialize ISPO</p> <p>4) encourage all palm oil plantations to implement ISPO</p> <p>5) Empower replanting of palm oil plantations using high quality seeds and technology in coordination with the Plantation Fund management</p>	What constitutes evaluation?
	Ministry of Agrarian and Spatial Planning/Head	1) follow up evaluation conducted by KLHK	

	of National Land Agency	<p>2) postpone the issuance of Land Use Right (HGU) based on evaluation results by KLHK</p> <p>3) evaluate land use in HGU every 6 months for 2 years period</p> <p>4) take action against illegal transfer of HGU</p> <p>5) accelerate the granting of land title to communities to implement 20% of palm oil plantations allocated for communities</p> <p>6) revoke HGU that has been given but has not been developed after 3 years since its issuance and that still have productive forest cover to be reclassified as forest area</p>	
	Minister of Industry	<p>1) control palm oil mill licenses</p> <p>2) promote diversification of downstream products</p>	No 1) was actually one of the CSO's demands
	Minister of Trade	<p>1) evaluate trade governance of palm oil and its products</p> <p>2) improve international trade</p> <p>3) improve promotion of ISPO</p>	
	Minister of Village, Development of Backward Regions, and Transmigration	<p>1) record palm oil development in villages</p> <p>2) support community in developing palm oil plantation</p> <p>3) strengthen the institution for no 2 through cooperatives etc.</p>	
	Minister of Interior	Guide and monitor heads of district and mayors through governors in the implementation of this Inpres	This is very important and was a loophole in the implementation of moratorium in primary forest and peatland

	Head of Geospatial Information Agency (BIG)	Coordinate license and land mapping to implement one map	This is also very important as a first step to resolve overlapping areas between HGU and community lands
	LAPAN	Remote sensing to track land cover change and identify palm oil plantations	
	Head of Direct Investment Coordinating Agency	Suspend application for extended funding for expansion of palm oil plantation that includes forest area release/exchange	
	Governors	Suspend the issuance of new location permits and plantation business permit (IUP), refrain from giving recommendation for forest area release/exchange for palm oil, recommend forest area that has been released but not yet developed and still has productive forest cover to be reclassified as forest area	
	Heads of district	Same as above, plus conduct an inventory and mapping of palm oil plantation less than 25 hectares	
	Coordinating ministry of the economy (Kemenko)	Coordinate the implementation of this Inpres Monitor the implementation of this Inpres and report to President every 6 months	No provision for regular public disclosure/report of the progress of this implementation
	General		No obligation or instructed for the agencies to give regular information to the public (like mid-term or annual report or something) or regular disclosure in the form of web platform, making it difficult to

			conduct a proper public monitoring
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hhh. *Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut*

FCPF

- I have made a contact with FCPF team in Bogor (Puspajak) and they invited me to come to their office to discuss the progress of FCPF implementation.
 - Following the approval of Indonesia's ER-PIN, an Lol between Gol and Carbon Fund team should have been signed in August, but an information from a World Bank representative I contacted said no Lol has been signed yet. But Indonesia has been granted \$5 million additional money under the Readiness Fund and is currently developing a draft ER-PD (I don't know yet who is hired to develop the draft) and is aiming to have a public consultation of the draft starting on January to June 2017 with an aim to submit it to the FCPF on July 2017.
 - At the end of this year, the readiness package including safeguards, MRV, and benefit sharing mechanism must be submitted to the FCPF. A person from Green Growth Compact in East Kalimantan I contacted said that the readiness package is in progress.
- c. General developments of sectors related to drivers of deforestation, such as the palm oil sector**

RUU Perkelapasawitan

- HuMA has developed a draft comment to the RUU (see Annex II). But there has been no decisive meeting between CSOs to make a concerted action on this issue (ICEL has not followed up the idea for Coalition meeting).
- d. Partner Focus**
- Regarding work arrangement with RFN, my colleagues in MADANI hope that I can continue my current work for RFN as a part of RFN's support to MADANI in order to avoid confusion regarding "which hat" I am wearing, for example in facilitating the coalition. A proposal for RFN has been submitted, which includes my ToR. However, the possible details have not been worked out yet, including the hours and internal mechanism for RFN.

Hutan Adat in Papua

- The collaboration between HuMa and partners in Papua to develop a road map for customary forest advocacy in Papua is progressing quite fast. HuMa, Epistema, and partners in Papua and Papua Barat have developed a draft legal opinion and initial documents necessary to identify what

partners in Papua and Papua Barat have already had to initiate proposal for customary forest (see Annex III). However, there is a slight difference of opinion between this group and AMAN, who proposes to focus first on recognition of the subject (indigenous people, which will include IP in Papua and Papua Barat) rather than the object (customary forest). The discussion is still ongoing through email exchanges, copying also RFN.

C. Tentative Plan for October II 2016

- Workshop on Haze Crisis and Human Rights in ASEAN at AMAN's office
- Finalize ER-PIN comments
- Finalize discussion on RFN proposal, which includes consultancy TOR

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	<p>Revision of PP Gambut</p> <p>Status: at the latest stage, expected to be issued soon.</p>	<p>No update yet. Still in the hands of Kemenkopolhukham (currently reshuffled)</p> <p>No follow up from KSP</p>	<p>Criteria of protection peat and peat for utilization</p> <p>Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat)</p> <p>Risk of community criminalization due to general prohibition of use of fire</p>
2.	<p>RPP Instrumen Ekonomi Lingkungan Hidup/IELH</p> <p>Status: has finished consultation stage, targeted to be issued in June but not published yet</p>	<p>The draft is currently in the hands of Kemenhukham, 5th stage of harmonization.</p> <p>Need to remind KLHK (Ditjen PPI) that development of REDD+ funding instrument regulation must be open, consultative, and inclusive.</p>	<p>The Environment Fund will be regulated in a separate Presidential Regulation (Perpres).</p> <p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	<p>Revision of Perpres RAN-GRK (Lampiran)</p>	<p>Ongoing</p>	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p> <p>No clear link or reference to Stranas REDD+</p>

4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program document until January 2017.	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Waiting for Cabinet Meeting (final stage), draft Inpres has leaked.	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Ongoing, will be published in November 2016.	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: almost 1 (one) hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Waiting for official enactment of Kajang customary forest to be issued.	
10.	Realization of 12.7 million hectares of social forestry	No data yet.	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Annex II

Kritik dan Saran terhadap RUU Perkelapasawitan (versi 2016)

Disusun oleh:

Agung Wibowo, Yosfi Aldi,

No	Isu	Pasal Terkait	Keterangan
1.	Tentang Undang-Undang	Judul	Mengapa dinamakan perkelapasawitan? Kelapa sawit adalah kata benda, apa logika membendakan kembali sebuah kata benda? Lebih sangkil menggunakan judul Undang-Undang Kelapa Sawit.
2.	Konsideran Mengingat		Perlu memasukkan pasal 18 b ayat (2) dan Pasal 28 I tentang hak MHA/Desa Adat. Dua pasal ini menjadi dasar yuridis pengakuan MHA/Desa Adat dalam ruang lingkup pengaturan areal kelapa sawit.
2.	Pengertian MHA	Pasal 1 ayat 2 Pasal 1 ayat 3&6 Pasal 1 ayat 23	<ol style="list-style-type: none"> 1. Lahan sebagai suatu lingkungan fisik perlu juga melihat aspek ekologis yang selama ini dijalankan dan dilakukan oleh masyarakat hukum adat 2. Perlu penjelasan numerik berapa luasan minimalnya yang juga berpengaruh pada sebutan "Pekebun" pada Pasal 1 ayat 5 dan Pasal 5 ayat 1 tentang Pelaku Usaha Perkelapasawitan. 3. RUU ini belum mendefinisikan masyarakat hukum adat sebagai pemilik dari ekosistem yang terjalin keterikatan hidup dengan lingkungannya, misalnya hutan. Ada baiknya merujuk pada Putusan MK 35 soal kriteria MHA dengan 5 kriteria yang tidak kumulatif.
3.	Usaha Perkelapasawitan	Pasal 5 ayat (1-4) Pasal 7 ayat 1 huruf (a) dan (b) Pasal 7 ayat 2 Pasal 8	<ol style="list-style-type: none"> 1. Ruang lingkup RUU ini meliputi: <ol style="list-style-type: none"> a. Pengaturan kegiatan usaha kelapa sawit belum mencakup keseluruhan pelaku dan tata cara. b. Bagaimana penetapan "status" areal kelapa sawit dan ekosistem penting di luar areal kelapa sawit yang berisiko terkena dampak. c. Perlu dijelaskan siapa yang dimaksud dengan "Pekebun, Kelompok Tani dan Gabungan Kelompok Tani" dalam RUU ini 2. Bagaimana mekanisme "pelepasan hak" akibat penetapan status atau izin usaha perkelapasawitan yang disebut di Pasal 8. 3. Usaha budidaya kelapasawit masih berfokus pada kegiatan pembukaan lahan. Ini bertentangan dengan Inpres No. 8/2015 tentang Moratorium kawasan hutan yang salah satunya mengantisipasi pembukaan lahan baru oleh areal kelapa sawit. 4. Pasal ini terkesan diskriminatif lantaran kegiatan usaha budidaya dan pengolahan hasil kelapa sawit hanya bisa dilakukan oleh perusahaan. Sementara di pasal 5 ayat 1 mengatakan usaha

			perkelapasawitan bias dilakukan, diantaranya, oleh badan usaha, misalnya koperasi. Nah, kenapa koperasi tidak bisa? Kata perusahaan sebaiknya diganti dengan Badan Usaha .
4.	Prinsip Partisipasi	<p>Pasal Pasal 11 ayat (2)</p> <p>Pasal 12 ayat 1 dan 2</p> <p>Pasal 14 ayat 1</p> <p>Pasal 14 ayat 2</p> <p>Pasal 17 ayat 1-4</p> <p>Pasal 19 ayat 1</p>	<ol style="list-style-type: none"> 1. Izin Usaha Perkelapasawitan hanya wajib memenuhi tiga unsur; izin lingkungan, kesesuaian dengan rencana tata ruang wilayah, dan rencana perkelapasawitan. Bagaimana dengan partisipasi masyarakat dalam penerbitan izin usaha perkelapasawitan? 2. Selama ini banyak HGU Kelapa Sawit yang sudah mati dan terlantar, dan dipergunakan masyarakat untuk berladang atau bermukim. Bagaimana proses pemulihan lahan tersebut bila ada HGU terlantar. 3. Izin usaha perkelapasawitan hanya diberikan dengan mempertimbangkan tanah dan agroklimat, tapi tidak menengok ekosistem gambut. 4. Pada peraturan izin perkelapasawitan perlu diperhatikan adanya mekanisme yang memungkinkan masyarakat hukum adat dan pedesaan untuk terlibat dalam penyusunan perencanaan dimaksud. 5. Perlu diperjelas apa saja jenis dan pemberian hak yang dimaksud dengan Izin Usaha Perkelapasawitan. Kemudian di butir (c) <i>bupati/wali kota untuk wilayah dalam suatu kabupaten/kota</i>, bertentangan dengan semangat resentralisasi UU Pemda No. 23/1999. 6. Tidak semata-mata melaporkan perkembangan usahanya saja melainkan penerima izin juga harus melaporkan perkembangan aspek sosial dan ekologi sebagai akibat dari usahanya tersebut. 7. Siapa sajakah yang dimaksud dengan obyek dari Kemitraan Usaha Perkelapasawitan? Belum disebutkan meski akan dimandatkan dalam PP. 8. Perusahaan Perkelapasawitan yang memiliki izin usaha Perkelapasawitan untuk Budidaya Perkelapasawitan wajib memfasilitasi pembangunan kebun masyarakat paling rendah seluas 20% (dua puluh perseratus) dari total areal luas kebun yang diusahakan. Perlu diatur juga tentang bagi hasil dari total keuntungan perusahaan dan jaminan sosial bagi masyarakat, tidak termasuk dalam pasal 21. 9. Angka 20% harus diperjelas; dari luasan tanah atau tegakan pohon? Lalu bagaimana memonitor dan memastikan angka itu benar-benar 20% karena terkait dengan hak masyarakat.
5.	Perubahan Kawasan	Pasal 23 ayat 1	Perlu ditambahkan agar kajian memuat juga studi empiris konflik masyarakat dengan perkebunan kelapa sawit, serta harus dilakukan dengan pendekatan fungsi

	Perkelapasawitan		yang tetap mengedepankan hak fundamental masyarakat. Jikapun kajian fungsi mensyaratkan masyarakat untuk diambilalih lahannya, perlu ada mekanisme penggantirugian yang jelas dan layak, serta memudahkan masyarakat dimaksud untuk memulai penghidupan dengan baik di tempat baru.
6.	FPIC	Pasal 24 dan Pasal 25 Pasal 24 ayat 1	<ol style="list-style-type: none"> 1. Perihal tanah ulayat perkelapasawitan harus melakukan musyawarah dengan masyarakat hukum adat pemegang hak ulayat untuk memperoleh persetujuan mengenai penyerahan tanah dan imbalannya. Belum ada skema yang mengatru apabila hasil musyawarah tidak menginginkan lahannya tidak ingin dialihkan menjadi areal kelapa sawit. 2. Sebaiknya proses musyawarah itu difasilitasi oleh pihak ketiga guna memastikan bahwa hak-hak dan proses legalitas dilakukan secara adil 3. Agar RUU ini mutatis-mutandis, perlu memasukan rujukan lebih terbaru dengan peraturan terkait sektor lainnya misalnya UU 41/1999 tentang kehutanan paska Putusan MK No. 35/2012 4. Mengingat kembali, putusan COP V/16 CBD tentang FPIC, maka UU ini perlu pula mengatur pentingnya edukasi/penguatan bagi masyarakat hukum adat/ masyarakat pedesaan, dan pemilik lahan lainnya untuk dapat secara setara mengambil keputusan melalui FPIC sebagai arena. Kutipan: The Fifth Conference of Parties (COP) to the CBD Decision V/16 expresses a firm commitment to the implementation of PIC in its general principles: “access to traditional knowledge, innovation and practices of indigenous and local communities should be subject to <i>prior informed consent or prior informed approval from the holders of such knowledge, innovations and practices</i>^{15/}.” Decision V/16 further calls upon: “Parties to take measures to enhance and strengthen the capacity of indigenous and local communities to be effectively involved in decision-making related to the use of their traditional knowledge, innovations and practices relevant to the conservation and sustainable use of biological diversity subject to their <i>prior informed approval and effective involvement</i>”¹⁶
7.	Kewajiban Pemerintah	Pasal 28	kata ‘pejabat’ sebaiknya diganti dengan siapa sebenarnya pihak yang bertanggungjawab secara

¹⁵ Decision V/16 above n 8, Annex: Programme of Work, 1. General Principles 5, at 139-42.

¹⁶ Striking a Better Balance. The World Bank Group and Extractive Industries. The Final Report of the Extractive Industries Review, Vol. 1, December 2003, 41.

			<p>penuh. Agar tidak saling lempar kesalahan dan bersifat mengikat Selain itu, perlu ditambahkan kewajiban pemerintah untuk melakukan pengembangan kapasitas bagi pihak pemilik atau penyedia tanah perkelapasawitan atau pengetahuan tradisional yang berasosiasi dengan pemanfaatan perkelapasawitan agar mampu secara sejajar menentukan sikap dalam pembagian keuntungan.</p>
8.	Fasilitas Penanaman Modal	<p>Pasal 30 ayat 1-4</p> <p>Pasal 30 ayat 3</p>	<p>Pemerintah disebutkan dalam pasal (1) memberikan fasilitas kepada penanam modal. Fasilitas yang dimaksud dalam bentuk apa saja. Apakah pasal ini justru membuka peluang penyalahgunaan partisipasi izin perkelapasawitan? (Cek skema pendanaan yang sesuai dengan hukum Indonesia).</p> <p>“...Sekurang-kurangnya memenuhi salah satu kriteria untuk mendapatkan fasilitas” nampaknya terlalu longgar. Dalam konteks menarik investor sangat mendukung, namun perlu penambahan kriteria lagi atau mengganti narasi menjadi “sekurang-kurangnya memenuhi kriteria...”.</p>
9.	Peran Serta Masyarakat	Pasal 93 ayat 1-3	<ol style="list-style-type: none"> 1. Berpotensi tidak sesuai dengan pendekatan partisipasi untuk menjadi dasar penetapan lahan izin perkelapasawitan. 2. Bagaimana apabila areal yang digunakan berkonflik dengan masyarakat? Seharusnya disebutkan secara eksplisit batasan bagi pemerintah dan pemerintah daerah untuk memberikan izin perkelapasawitan dengan mewajibkan melakukan intensifikasi ketimbang membuka lahan baru. 3. Pelibatan masyarakat dalam proses pemberian izin pemanfaatan perkelapasawitan juga perlu disebutkan secara eksplisit. 4. Peran serta masyarakat hanya terbatas ke dalam usulan, tanggapan, pengajuan keberatan, saran perbaikan, bantuan. Bagaimana dengan pelibatan dan pemberian izin dan proses eksploitasi lahan.
10.	Pembinaan dan Pengawasan	<p>Pasal 94 ayat (1)</p> <p>Pasal 96 ayat 1</p>	<p>Pasal tidak konsisten mengapa pembina usaha perkelapasawitan dibebankan oleh Pemerintah dan Pemerintah Daerah. Campur tangan negara terlalu besar di satu sisi, namun yang mendapatkan keuntungan adalah pengusaha perkelapasawitan. Di mana tanggung jawab pengusaha perkelapasawitan dalam hal melakukan pembinaan dan pengawasan kepada lingkungan sekitar.</p> <p>Harus dijelaskan siapa yang berperan dalam melakukan pemantauan dan evaluasinya.</p>
11.	Kelembagaan Perkelapasawitan	Pasal 97	<p>Ada tumpang tindih dengan kerja Kementerian Agraria dan Tata Ruang mengenai lembaga/badan yang mengatur perkelapasawitan.</p>

		Pasal 99	<p>Harus dikaji lagi urgensi dan peran badan ini agar tidak terjadi tumpang tindih peran. Kenapa harus ada badan baru sehingga terkesan subsector ini sangat istimewa di tengah banyak pihak menuntut moratorium izin baru kelapa sawit? Jika tetap membentuk badan, berapa lama dikasih waktu pasca diundangkannya RUU ini.</p> <p>Perlu ditambahkan bahwa dalam melaksanakan tugas dan fungsinya, Badan Pengatur Perkelapasawitan selain harus berkoordinasi dengan pejabat daerah yang mempunyai kompetensi dan kewenangan juga harus melibatkan secara aktif masyarakat. Selain itu, Badan perkelapasawitan juga harus mendorong pengusaha perkelapasawitan untuk lebih cenderung memanfaatkan lahan yang sudah ada (intensifikasi) ketimbang membuka lahan baru.</p>
13.	Sanksi Pidana khususnya terhadap korporasi	Pasal 101 - 102	Pidana terhadap setiap orang adalah pidana penjara dan pidana denda. Apakah selain perorangan sanksi pidana bisa dibebankan kepada badan hukum? Perlu rumusan yang lebih jelas mengenai tindak pidana korporasi.
14.	Kawasan ekologis lainnya	-	<ol style="list-style-type: none"> 1. Perlu pengaturan lebih dalam mengenai kawasan ekologis, misal kawasan karst, konservasi, suaka margawastwa atau kawasan hutan. 2. Perlu pengaturan lebih ketat terkait perlindungan kesatuan ekosistem hidrologis gambut serta keragamanhayati di dalamnya 3. Apakah definisi ini tidak memiliki makna ganda yang kontras? Di mana, Satu sisi menjaga dan sisi lain boleh dimanfaatkan oleh pihak tertentu (korporasi) atas nama kepentingan strategis/Infrastruktur.
15.	Pengalihan hak	-	Belum ada pengaturan pilihan penggantian hak dalam hal tanah milik masyarakat ditetapkan menjadi kawasan perkelapasawitan.
16.		Isi RUU	Secara keseluruhan RUU ini cukup ramah pada perusahaan kelapa sawit berskala besar. Namun, belum kelihatan bagaimana nasib, perlindungan dan keberpihakan RUU terhadap pekebun sawit skala kecil. Oleh karena itu, penting menambahkan bab terkait pekebun sawit skala kecil.

Annex III

Road Map for Advocacy on Customary Forest in Papua and Papua Barat

No	Program	Indikator	Kegiatan	Peran Pa
1	Mendorong lahirnya kebijakan dan atau peraturan di tingkat pemerintah daerah (Kabupaten/Provinsi) yang melindungi hak masyarakat hukum adat	Tersusunnya analisa hukum terkait masyarakat hukum adat di Papua dan Papua Barat	1. Menyusun analisa hukum terkait UU otonomi khusus dan pengakuan masyarakat hukum adat	Penulis: 1. Framing HAM (ECOSOC, CERD) dika 2. Konstitusi dan MK 35: Bawor 3. Menjawab kekhawatiran Posisi nega hutan adat: Nurul 4. Analisa UU Otsus sudah mengakui l 5. Analisa Perdasus: Bastian 6. UU otsus tetap berlaku di Papua Ba 7. Kebutuhan perdasus ... di Papua Ba Tenggat: 10 Oktober 2016 Kirim ke Erwin.70tba@gmail.com Pak Abner & Rikardo Simarmata memi
			2. Menyusun analisa hukum terkait pengakuan masyarakat hukum	Penulis: - Kriteria berdasar otsus dan perdasus: H - Pemenuhan unsur oleh MHA: tiap2 len Tenggat: 10 Oktober 2016 Kirim ke hengkyparadisea@gmail.com Setelah dikompilasi oleh Hengky, kir oktober 2016
		Terbitnya peraturan daerah tentang pengakuan hak Masyarakat Hukum di ...	1. Update perkembangan penyusunan produk hukum daerah di tiap-tiap lembaga.	HuMa akan bikin matriknya, untuk dikirim k
			2. Mempercepat proses pemetaan wilayah adat	Paradisea, Silva, Yali
			3. Pengidentifikasian penggunaan lahan.	Paradisea, Silva, Yali
			4. Konsultasi publik atas naskah akademik	Paradisea, Silva, Yali
			5. Penyusunan rancangan peraturan	Paradisea, Silva, Yali
6. Pengesahan peraturan daerah	Paradisea, Silva, Yali			
2	Mendorong penetapan dan/atau registrasi	Tersampainya analisa hukum analisa hukum	Mengkomunikasikan legal opini ke	Paradisea, Silva, Yali Oktober - November 2016

hutan adat di Kementrian LHK	terkait UU otonomi khusus dan pengakuan masyarakat hukum adat di kabupaten dan provinsi	<ul style="list-style-type: none"> - Bupati Boven Digoel, Mappi, Asmat, Yahukimo, Tambraw, Pegunungan Arfak, Manokwari, Teluk Bintuni, Fak-Fak, - Dinas kehutanan Provinsi Papua dan Papua Barat - Gubernur Provinsi Papua Papua Barat 	
	Tersampainya analisa hukum analisa hukum terkait UU otonomi khusus dan pengakuan masyarakat hukum adat di Jakarta	CSO dan Pemerintah daerah mengkomunikasikan legal opini ke <ul style="list-style-type: none"> - KSP desk Papua - KLHK - --- tentative: <ul style="list-style-type: none"> - Kemetrian ATR - Komisi 4 DPR dan/atau fraksi - DPD - Kedutaan Norwegia - Kedutaan Amerika - Kedutaan Inggris - Kedutaan UE 	Awal November 2016
	Terbitnya dan/atau terdaftarnya hutan adat yang sudah memiliki Perda		

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

October Week II 2016

by

Anggalia Putri Permatasari

In this report:

- Progress of BRG
- Peatland Monitoring Initiative (“Pantau Gambut”)

- Zero-Burning Regulations and its impact on indigenous people
- Judicial Review Ruling of Plantation Law
- SIPKEBUN (Monitoring System for Sustainable Palm Oil)
- Draft Legal Opinion on Customary Forest Advocacy in Papua and Papua Barat
- Open Status of Forestry Maps (*Shapefile*)
- FCPF CSO Outreach Workshop

A. Activities

Activities in the period of 15-31 October 2016 are:

23. Meetings with MADANI to assist development of work plan for the upcoming year
24. Following REDD+ developments in the media
25. FCPF IP/CSO Outreach Workshop (16-21 October)
26. Climate justice conference case on haze and human rights (26-27 October)
27. Peatland monitoring workshop (31 October)

B. Developments on REDD+ Implementation

- iii. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia*

Funding Instrument

No new information in this period.

- jjj. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office*

The open status of forestry maps in *shapefile* format (Greenpeace's petition to Information Commission)

- a. After Forest Watch Indonesia won the case against KLHK regarding information of Land Use Right (HGU) and its maps, Greenpeace Indonesia's petition to the Central Information Commission regarding the open status of forestry maps in the form of *shapefile* was granted by the Commissioners led by Dyah Aryani.
- b. On October 24, the Commission ruled that geospatial information or maps in *shapefile* format should be open for public. Six categories of information that are declared open

are: 1) Indonesian Land Cover Map 2012, 2) Indonesian Land Cover Map 2013, 3) Plantation Forest (HTI) permits and their maps, 4) Logging (HPH) permits and their maps, 5) Permits and map of forest area release for palm oil plantation, 6) Permits and map of forest area borrow-use for mining.

- c. **Consequences:** with the data being open, the public can determine the location of hotspots and fire with more precision as well as location of forests that are being cleared. The public can also pinpoint the owner whose land is on fire and overlap between concession with peatland.
- d. However, KLHK filed an appeal so the ruling cannot yet be enforced. KLHK's core arguments are that maps with the *shapefile* format have not been legally authorized (digitally watermarked) and therefore cannot be distributed to public because there is a risk of illegal changes and abuse such as blackmail. KLHK also argues that opening the data is in violation of Law on Geospatial Information No. 4 year 2011.

kkk.

Progress of deliverables

under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

BRG

- According to the Government Regulation No. 1/2016 that set up BRG, BRG's target is to do restoration of 30% of the 2 million target in 2016, which equals 600,000 hectares of peatland. According to BRG presentation, in 2016 they will focus on restoration of areas that have been burned in 2015, protected areas of peat dome with canals, and shallow peat in concession area.
- However, BRG's steps were hampered by:
 - 1) lack of authority: BRG can only report large companies that still open deep peat despite all the regulations to KLHK but cannot take action against them. BRG must negotiate with each companies to persuade them not only to not open the peat but also to rezone the area to become protection area and this is a very difficult task. Meanwhile, the progress of PP Gambut revision is not heard of anymore and BRG relies on weaker policies (which are not laws) to protect land including Circular Letter of KLHK and Agrarian Ministers that prohibits all peat opening,
 - 2) lack of funding: according to the information that I received, the President wants peatland restoration funding to come mostly from international donors, not APBN (state budget). This is perceived as obstructive to BRG's effectiveness,
 - 3) effectiveness of regional peatland restoration team. Peatland restoration teams in the 7 regions vary in effectiveness, composition, and budget. In some areas, the composition includes civil society but in some areas they only consist of SKPD (Satuan Kerja Perangkat Daerah) that lacks participatory approach. The Funding comes both from regional state budget (APBD) and international donors and it varies too.

Renstra

- Currently, BRG is still developing a strategic planning for peatland restoration (*renstra*). Although BRG is more participatory than other government actors, some CSOs still feel that there is insufficient response of BRG to their inputs, especially regarding the peatland restoration map (peta indikatif restorasi gambut).

Peatland Monitoring Initiative

- MADANI is currently assisting WRI to develop a CSO network and platform to monitor the implementation of peatland restoration as well as the government's commitment regarding protection of peatland. On October 31, MADANI convened a number of national and local CSOs working with peatland agenda to discuss the format and content of such platform. This initiative includes RFN partners, including HuMa and Warsi, also Greenpeace, Kemitraan, FWI, Pusaka, Sawit Watch, and Telapak. HuMa will contribute in policy analysis of the currently overlapping existing regulations regarding peatland and Warsi will contribute in monitoring on the ground. The meeting resulted in the framework of monitoring platform, including what to monitor, main target audience, and communication strategy. The monitoring platform is aimed to be completed in March 2017.

Zero-Burning Regulations and their impact on indigenous people

- On October 26-27, I attended haze and human rights workshop at AMAN's office, organized by climate justice programme. The workshop explored human rights implications of the annual haze crisis, including climate impacts, health impacts, education, loss of lives etc. One important session was regarding the impact of efforts to address haze on indigenous people and local communities, especially the issuance of zero-burning regulations by the central government (President Instruction) and regional government (Perda Larangan Membakar) among others in Central Kalimantan, South Sumatera, and Riau.
- The government has managed to suppress forest and haze incident this year, with a claim of 80% reduction of hotspots from the same period last year. However, the collateral damage or side impacts are rarely voiced, namely the impact of zero burning regulations on the agriculture practice of indigenous people. AMAN Central Kalimantan, South Sumatera, and Riau reported human rights implications felt by indigenous people in the three regions due to government's policy to suppress forest fire. The government uses both the police and the military to suppress burning activities in community farms, with military trucks everywhere, preventing them to farm their land. In a limited ministerial meeting, it was stated that the MoEF paid military 500 billion to the military this year to prevent forest fire. The communities cannot use fire to open their land or risk getting arrested (many of them are already arrested) but the government does not offer any solutions for them so that they are faced with shortage of food and hunger. Some communities, for example in Sungai Utik of West Kalimantan, defies the regulations and are faced with military intimidation on a daily basis. This creates tension on the ground and many indigenous people have expressed their anger and their intention to rebel against the government policy. There is currently no concerted national effort on the part of government to address the issue and it still continues on the ground.

- HuMa, AMAN, and several other CSOs at the national level are jointly developing an analysis of zero-burning regulations and their impacts on indigenous people as well as other laws that allow traditional use of fire to create recommendations for the central and regional government. This initiative will be linked to other initiative to use human rights mechanism (Komnas HAM and AICHR) to demand corporate accountability for human rights implications felt by communities in the haze crisis. HuMa and Walhi Central Kalimantan are also a part of this initiative.

III. General developments of sectors related to drivers of deforestation, such as the palm oil sector

Palm Oil Moratorium

- The regulation has not been issued, making it 7 months delayed after first instructed by President Joko Widodo in April 2016.
- KLHK Minister in a public statement ensured that the policy will touch upon evaluation of existing palm oil licenses and not just postpone issuance of new ones. In the statement, the Minister stated that the draft is final.
- The Ministry will evaluate problematic palm oil concessions with the size of 2.3 million hectares that are located in forest area without having forest area release permit (*izin pelepasan kawasan hutan*). However, the evaluation will be conducted case by case in which the history of each concession will be scrutinized. She said that law enforcement cannot be conducted indiscriminatory for all concessions in forest area due to changing regulations in Indonesia. Forest boundaries were still fluid according to the changing regulations. Some were based on Forestry Law and some were based on Spatial Planning Law and the one map policy is also far from done.
- The Minister stated that KLHK will focus on administrative sanction such as fine and suspension of licenses. The Ministry will revoke licenses in primary forests that still have productive forest cover (the definition of “production” still not clear).
- The regulation is not issued yet because the Coordinating Ministry of the Economy, Darmin Nasution, still gives a chance for Ministry of Agriculture and Ministry of Agraria/Spatial Planning to make adjustments regarding data of palm oil plantations supply chain and HGU.
- Some unresolved issues that the civil society has the potential to address are: 1) compiling data (or counter-data) of locations and concessions of palm oil plantations, especially large concessions located in forest area and concessions that have not attained the necessary permits to help the government conduct evaluation and law enforcement, 2) developing **a monitoring network for the implementation of palm oil moratorium**. Currently, aside from the peatland monitoring network that is being developed together by the civil society (led by WRI and assisted by MADANI), there is not yet a viable CSO monitoring platform that meets and compiles data regularly to monitor the implementation of palm oil moratorium and moratorium on primary forests and peatland (currently we are relying on Greenpeace for data, but GP’s focus on moratorium has slightly changed because the government is now withholding data). The network must involve both national and local CSOs. I personally hope that MADANI can trigger development of such network and there is a room for this in MADANI’s proposal to RFN in 2017. An emerging monitoring tool that might be of use is SIPKEBUN (developed by Inobu), which is explained below.

Judicial Review of Plantation Law (Law No. 39 year 2014)

- On October 27, the Constitutional Court (MK) granted some of the civil society (Sawit Watch, SPKS, SPI, API, FIELD, Bina Desa, dan IHCS)'s demands against the Plantation Law (Law No. 37 year 2014) and declared some articles unconstitutional, namely Article 27 para (3), article 29, article 30 para (1), article 42, article 55, and article 107.
- One very important ruling of the Constitutional Court is regarding the requirements for plantation business to start operating on the ground. Previously, the wording of the law stated that a plantation business can start their operation if they have attained Land Use Right (HGU) and/or Plantation Business Permit (IUP). This and/or phrase led to many plantations operating without HGU and only IUP. The Constitutional Court ruled that the "and/or" phrase is unconstitutional if it is interpreted that plantation business can operate without HGU. Now, every plantation business must have both HGU and IUP to start its operation.
- However, the Court did not grant civil society's demands that plantation must build community plantation with the minimum size of 20% of its HGU inside the concession area (partnership scheme). This means that the partnership plantations will be built outside concessions, meaning there will be large expansion of palm oil plantation.

The Launching of Online Monitoring System for Sustainable Palm Oil (SIPKEBUN)

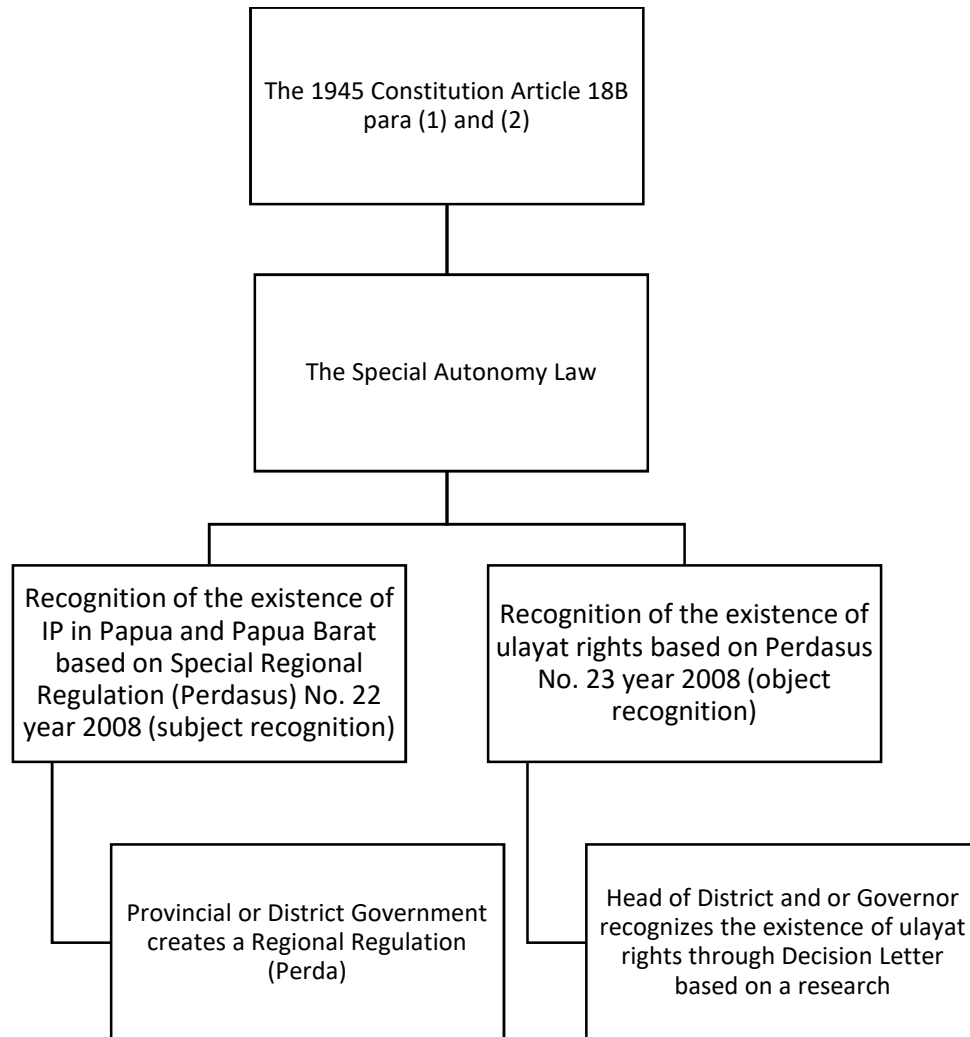
- On October 26, Ministry of Plantation, the government of Central Kalimantan (provincial and Gunung Mas, Kotawaringin Barat, and Seruyan districts) and INOBU (Earth Innovation Institute) signed an MoU to launch an online monitoring system for palm oil plantation to accelerate development of sustainable palm oil, which is called SIPKEBUN (Sistem Informasi dan Pemantauan Kinerja Perkebunan Berkelanjutan). SIPKEBUN contains integrated information regarding palm oil, from the industrial to smallholder level. The system is meant for the government to monitor the location of palm oil plantations and how they are operated. The system is also aimed to accelerate licensing process for smallholders. As starter, SIPKEBUN presents data of smallholders in the three districts, including location, size of plantation, and social-economy condition. The web itself however is not yet operational for public.

mmm. Partner Focus

Draft Legal Opinion on Hutan Adat in Papua and Papua Barat

- **Summary of draft legal opinion.** The legal opinion for customary forest advocacy in Papua and Papua Barat developed together by HuMa, Yali, Paradisea, SLK, and several other CSOs was scheduled to be completed on October 13 but currently it is still a draft. The summary is as follows:

- Papua and Papua Barat are special regions (daerah istimewa) according to Law No. 21 year 2001 that was later amended to become Law No. 35 year 2008 regarding Special Autonomy for Papua Province (often called the special autonomy law or UU Otsus).
- Based on Article 18B of para (2) of the Constitution, recognition of indigenous people (masyarakat hukum adat) does not have to be done by Law on Indigenous People Recognition but can be done by many laws, including the special autonomy law.
- The special autonomy law has mentioned IP and ulayat rights specifically as the rights to utilize land, forest, and water.
- Perdasus (Special Regional Regulation) is a regulation to operationalize the special autonomy law. The position is equal to Government Regulation (PP) and is higher than the ordinary Regional Regulation (Perda).
- Perdasus of Papua Province No. 22 year 2008 on Protection and Management of Natural Resources of Papuan Customary Law Communities stated that recognition of IP (as legal subject) in Papua is given by provincial or district/municipality government through a Regional Regulation (Perda) at district/municipality level or at provincial level if the territories cut across district borders.
- Meanwhile, Perdasus of Papua Province No. 23 year 2008 on the Rights of Customary Law Communities and Individual Rights of Customary Law Communities to Land states that there will be a team set up to conduct a research regarding the existence of ulayat (IP) rights to land both communally and individually and the result is issued in the form of Decision Letter (SK) of Governor or Head of District/Mayor.
- Therefore, the legal basis of recognition of IP and their rights, including to land and forest can be summed up in the following chart:

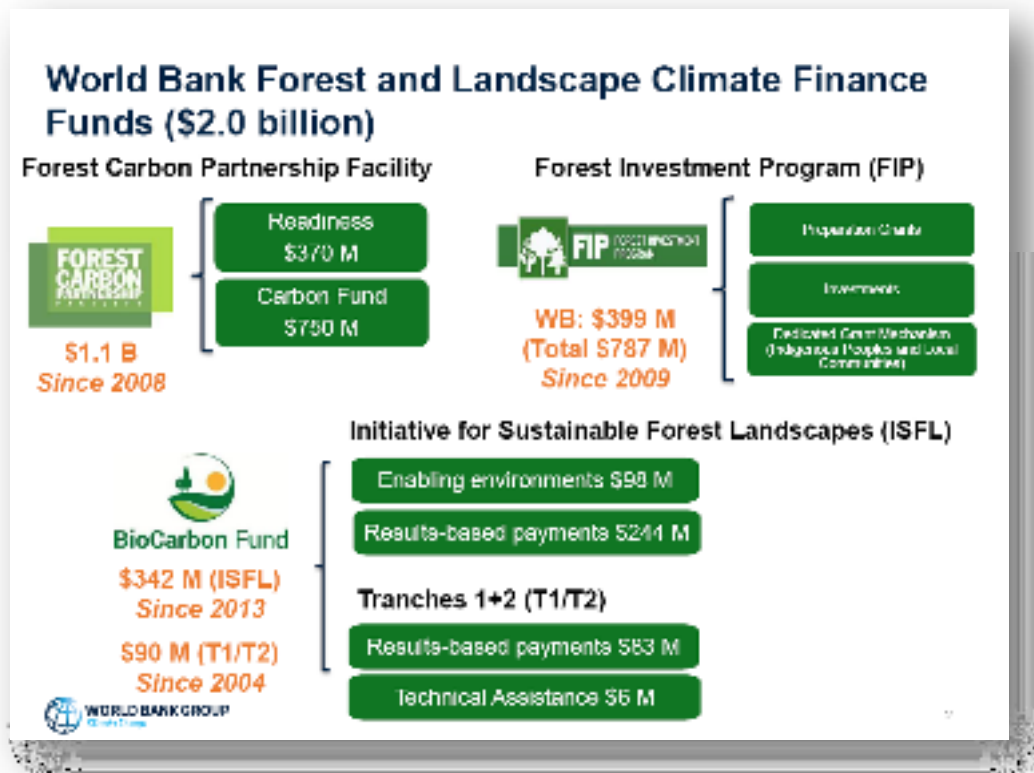


Recommendations:

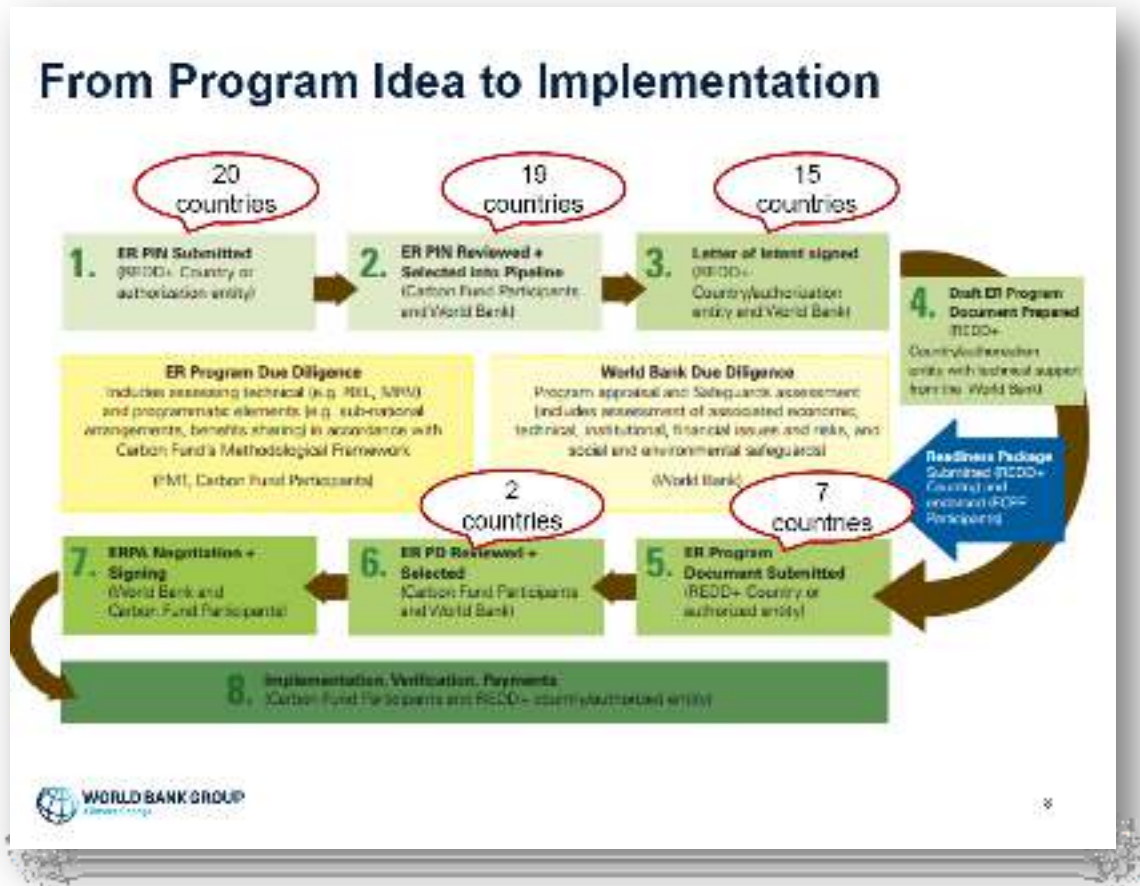
- a. District or Provincial Government must issue Regional Regulation to recognize the existence of IP in Papua and Papua Barat and District/Governor Regulation that recognizes ulayat rights of IP in Papua and Papua Barat.
- b. Directorate General of Planology and BPKH must conduct administrative process to establish status change of forest area, location, and boundaries of forest area inside IP territories and recognize them as customary forests.
- c. Minister of LHK must register forest area as customary forest area.
- d. The above process is only a registration process so that it does not use the mechanism of KLHK Ministerial Regulation No. 32 year 2015 concerning Private Forest.

FCPF IP/CSO Outreach Workshop

- The 3-day workshop convened IP and CSO representatives from countries involved in the FCPF program and aimed to update IP/CSOs on the progress of ER program and explore and discuss inputs and experiences including best practices and gaps in the implementation of the program.
- The agenda included update session from the FCPF team (for FCPF Carbon Fund and BioCF Initiative for Sustainable Forest Landscapes (ISFL))
- The overview of WB Forest and Landscape Climate Finance Funds, which reaches \$2 billion can be seen in the picture below:



- Carbon Fund. The total CF capital, which is results-based payment, is \$750 million where Norway is one of the 11 contributors. At COP 21 in Paris in December 2015, Germany, Norway, and the US pledged \$339 million to support circa five new large-scale emission reductions program under the CF in which Norway signed commitments to give \$130 million dollars or 1 billion NOK.
- The business flow of CF can be seen in the picture below:



- Indonesia's status is "selected into CF pipeline, LOI not yet signed." The 2 ER Programs that have already been selected into the CF portfolio are Costa Rica and Democratic Republic of Congo. An important aspect of CF for IP and CSOs is the capacity building program both as part of the readiness and CF (it's still unclear whether there will be CB program under CF, but many IP organizations strongly push for the agenda).
- Regarding BioCF, Indonesia is listed as one of the 4 implementing countries, but there is not yet explanation regarding the types of project carried out in Indonesia. In the BioCF, emission reductions that will be generated will come not only from REDD+ projects but also agriculture and energy projects and BioCF puts an emphasis on private sector as part of value chains.
- The workshop also discusses experiences, problems, and gaps faced regarding stakeholder engagement. The issues are among others lack of meaningful and in-depth consultation in terms of genuine exchange of ideas and token participation. Capacity building before consultation and timely provision of information, including the most update documents, was also an emphasis.
- Issues regarding safeguards, land tenure and benefit sharing were also discussed. One of the main concerns of IP/CSO is the in clarity of land tenure in the readiness phase but despite the in clarity, the program went ahead although it is contrary to the FCPF's own methodological framework (MG) (in the case of DRC). The FCPF stated that the donors are with an understanding that the land tenure problems are long-standing issues and cannot be expected to be resolved before the program. The recommendation includes setting up specific goals/roadmap to resolve land tenure

issues with regular evaluation on the progress throughout the program lifetime. Regarding safeguards, the WB is undergoing a period where it will amend its safeguards policies and this will affect the CF program. Although it is said that FPIC has been accepted in the new framework, the operationalization will not start until 2018. Regarding benefit-sharing, a flag was raised with regards to Indonesia since Indonesia does not have a comprehensive benefit-sharing design although it is ready to complete its readiness phase in December. The FCPF ensures that no money will be disbursed without a nationally-agreed benefit sharing mechanism created through a multistakeholder process.

- Issues regarding addressing drivers of deforestation. The link between the main types of activities that will be carried out and the real drivers of deforestation was also highlighted as in the case of Indonesia and some other countries, the activities are not geared towards addressing the main drivers but to help the large industrial players.
- Issues regarding methodological framework. The methodological framework is still foreign to some and capacity building for this must be conducted especially to ensure that the national process is in line with higher standard set out in the MF, for example regarding consultation (it turns out that there is already a consultation standard in the MF), safeguards, and benefit sharing mechanism.
- Issues regarding feedback and grievance redress mechanism. Indonesia has not established a working FGRM mechanism throughout the readiness phase and it is concerning. The WB offers some FGRM mechanisms, including one inside the FCPF structure (which has not been operationalized in Indonesia), the Inspection Panel, and the Grievance and Redress Body. FGRM mechanism is a very important element of ER program which existence must be ensured.
- In general, the workshop focused more on stakeholder engagement rather than the substantive content of each ER-PIN and ER-PD. The procedural elements of the programs are still wanting and they influence the content of the substantive element. The CSOs/IP managed to formulate specific recommendations both for the FCPF team and WB managers/directors that will be compiled by the facilitating team.
-

C. Tentative Plan for November I 2016

- Discussion on the preliminary result of zero deforestation research (MADANI)
- Following invitation of FCPF team and KLHK to discuss funding instrument and FCPF development in Indonesia

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	<p>Revision of PP Gambut</p> <p>Status: at the latest stage, expected to be issued soon.</p>	<p>No update yet. Still in the hands of Kemenkopolhukham (currently reshuffled)</p> <p>No follow up from KSP</p>	<p>Criteria of protection peat and peat for utilization</p> <p>Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat)</p> <p>Risk of community criminalization due to general prohibition of use of fire</p>
2.	<p>RPP Instrumen Ekonomi Lingkungan Hidup/IELH</p> <p>Status: has finished consultation stage, targeted to be issued in June but not published yet</p>	<p>The draft is currently in the hands of Kemenhukham, 5th stage of harmonization.</p> <p>Need to remind KLHK (Ditjen PPI) that development of REDD+ funding instrument regulation must be open, consultative, and inclusive.</p>	<p>The Environment Fund will be regulated in a separate Presidential Regulation (Perpres).</p> <p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	<p>Revision of Perpres RAN-GRK (Lampiran)</p>	<p>Ongoing</p>	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p> <p>No clear link or reference to Stranas REDD+</p>

4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program document until January 2017.	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Kemenko still gives a time for Ministry of Agriculture and Spatial Planning to make adjustments.	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Ongoing, will be published in November 2016. Still no news regarding PIPPIB revision	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: almost 1 (one) hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Waiting for official enactment of Kajang customary forest to be issued.	
10.	Realization of 12.7 million hectares of social forestry	No data yet.	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Annex I

Draft Legal Opinion on Customary Forest Recognition in Papua and Papua Barat

Kekhususan Tata Cara Pengakuan Wilayah Adat termasuk Hutan Adat di Papua dan Papua Barat

Pendapat Hukum

Disusun oleh:

Muki, Bawor, Nurul, Kristian Ari, Bastian, Fourly, Erwin

Editor dan pembaca akhir:

Abner dan Rikardo

LATAR BELAKANG

1. Bahwa Indonesia sudah meratifikasi Pengentasan Diskriminasi terhadap Segala Bentuk Ras (*International Convention on the Elimination of All Forms of Racial Discrimination*) yang disahkan pada 21 Desember 1965. Pada Pasal 5, telah ditekankan negara yang meratifikasi harus mengakui hak atas properti yang dimiliki oleh hak masyarakat sipil termasuk juga masyarakat adat.
2. Bahwa Papua merupakan pulau paling timur Indonesia yang memiliki kekayaan alam melimpah, namun berbagai persoalan kesejahteraan masyarakat adat di Papua menjadi hal yang belum tuntas diselesaikan hingga saat ini. Kebijakan yang bersifat afirmatif berupa “pengakuan” terhadap masyarakat adat dan wilayahnya di Papua yang kemudian telah dituangkan dalam Undang-Undang No. 21/tahun 2001 tentang Otonomi Khusus Bagi Provinsi Papua, dan Peraturan Daerah Khusus Provinsi Papua No.20, 21, 22, dan 23/tahun 2008 yang telah memberikan mandat pengakuan dan perlindungan masyarakat adat dan wilayahnya di Papua, serta sejumlah kebijakan teknis untuk mengatasi persoalan administrasi pertanahan bagi masyarakat adat di Papua.

ANALISA HUKUM

3. Bahwa Undang-undang Dasar 1954 **Pasal 18B ayat (1)** menyatakan: “*Negara mengakui dan menghormati satuan-satuan pemerintahan daerah yang bersifat khusus atau bersifat istimewa yang diatur dengan undang-undang.*” Lebih lanjut **Pasal 18B ayat (2)** “*Negara mengakui dan menghormati kesatuan-kesatuan masyarakat hukum adat beserta hak-hak tradisionalnya sepanjang masih hidup dan sesuai dengan perkembangan masyarakat dan prinsip Negara Kesatuan Republik Indonesia, yang diatur dalam undang-undang.*”

Bahwa jika mencermati kedua Pasal tersebut, terdapat perbedaan frasa yaitu: **pertama** “...diatur dengan undang-undang” dan **kedua** “...diatur dalam undang-undang”;

4. Sebuah frasa dalam bahasa hukum mengandung arti dan implikasi. Dalam putusan *judicial review* pasal 53 Undang-undang Nomor UU No. 30 Tahun 2002 tentang Komisi Pemberantasan

Tindak Pidana Korupsi (UU KPK), Mahkamah Konstitusi (MK) menyatakan bertentangan dengan pasal 24A ayat (5) UUD 1945 yang berbunyi "*Susunan, kedudukan, keanggotaan dan hukum acara Mahkamah Agung serta badan peradilan dibawahnya diatur dengan undang-undang*".

MK berpendapat dari segi teknik perundang-undangan, frasa ***diatur dengan undang-undang berarti harus diatur dengan undang-undang tersendiri***. Dengan demikian MK berpendapat bahwa Pengadilan Tindak Pidana Korupsi (Tipikor) jelas tidak sejalan dengan Pasal 24A ayat (5) karena dibentuk dengan UU KPK;

Lebih lanjut, pembedaan frasa dengan undang-undang dengan dalam undang-undang seperti yang dianut oleh MK dibenarkan oleh Prof. Dr. Soenjono Dardjowidjojo. Menurut Soenjono, apabila digunakan frasa ***di dalam UU berarti masalah tersebut diatur di dalam suatu undang-undang***, sedangkan ***diatur dengan UU berarti undang-undangnya harus terpisah dan berdiri sendiri***;

5. Bahwa **dalam konteks UUD Pasal 18B ayat (1)**, - dengan frasa *diatur dengan undang-undang* - menyebabkan ada **empat** daerah yang bersifat khusus atau bersifat istimewa berdasarkan empat UU, yaitu:
 - a. **DKI Jakarta** diatur dengan UU Nomor 29 Tahun 2007 tentang Pemerintahan Provinsi Daerah Khusus Ibu kota Jakarta sebagai Ibu kota Negara Kesatuan Republik Indonesia,
 - b. **N.A. Aceh** diatur dengan UU Nomor 44 Tahun 1999 tentang Penyelenggaraan Keistimewaan Provinsi Daerah Istimewa Aceh dan UU Nomor 11 Tahun 2006 tentang Pemerintahan Aceh,
 - c. **D.I. Yogyakarta** diatur dengan Undang-Undang Republik Indonesia Nomor 13 Tahun 2012 tentang Keistimewaan Daerah Istimewa Yogyakarta
 - d. **Papua dan Papua Barat** diatur dengan UU Nomor 21 Tahun 2001 tentang Otonomi Khusus bagi Provinsi Papua yang telah diubah dengan Perpu No. 1 Tahun 2008. Selanjutnya, Perpu tersebut mejadi Undang-Undang Nomor 35 Tahun 2008 Tentang Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 1 Tahun 2008 Tentang Perubahan Atas Undang-Undang Nomor 21 Tahun 2001 Tentang Otonomi Khusus Bagi Provinsi Papua Menjadi Undang-Undang – selanjutnya disebut UU Otsus;

Lebih lanjut, jika dikaitkan dengan otonomi daerah Pasal 399 UU 23/2014 tentang Pemerintah Daerah menyatakan:

“Ketentuan dalam Undang-Undang ini berlaku juga bagi Provinsi Daerah Istimewa Yogyakarta, Provinsi Daerah Khusus Ibu kota Jakarta, Provinsi Aceh, Provinsi Papua, dan Provinsi Papua Barat, sepanjang tidak diatur secara khusus dalam Undang-Undang yang mengatur keistimewaan dan kekhususan Daerah tersebut.”

6. Bahwa dalam konteks **UUD Pasal 18B ayat (2)**- dengan frasa *“diatur dalam undang-undang.”* – berarti pengakuan masyarakat hukum adat **TIDAK** harus diatur dengan UU khusus, melainkan bisa di dalam berbagai UU, termasuk UU Otsus.

Terkait itu, UU Otsus sudah menyebutkan masyarakat hukum adat secara spesifik dalam Pasal 1 huruf ryang menyatakan:

“Masyarakat Hukum Adat adalah warga masyarakat asli Papua yang sejak kelahirannya hidup dalam wilayah tertentu dan terikat serta tunduk kepada hukum adat tertentu dengan rasa solidaritas yang tinggi di antara para anggotanya”

Lebih lanjut, dalam UU Otsus Pasal 1 huruf s menyatakan:

“Hak Ulayat adalah hak persekutuan yang dimiliki oleh masyarakat hukum adat tertentu atas suatu wilayah tertentu yang merupakan lingkungan hidup para warganya, yang meliputi hak untuk memanfaatkan tanah, hutan, dan air, serta isinya sesuai dengan peraturan perundang-undangan”;

7. Bahwa dalam UU Otsus Pasal 1 huruf I menyatakan *Peraturan Daerah Khusus, yang selanjutnya disebut Perdatus, adalah Peraturan Daerah Provinsi Papua dalam rangka pelaksanaan pasal-pasal tertentu dalam Undang-undang ini.*

Terkait itu, di Peraturan Daerah Khusus Provinsi Papua No. 22 tahun 2008 tentang Perlindungan dan Pengelolaan Sumber Daya Alam Masyarakat Hukum Adat Papua, menyatakan:

Pasal 2

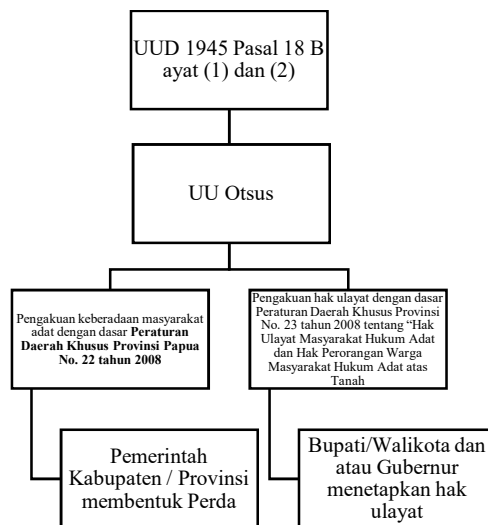
- (1) Pemerintah Provinsi atau Kabupaten/Kota memberikan pengakuan masyarakat hukum adat mempunyai kriteria :
- a. adanya wilayah adat dengan batas-batas yang diakui oleh masyarakat hukum adat disekitarnya;
 - b. adanya norma-norma hukum, struktur kelembagaan adat dan sistem kepemimpinan yang secara nyata berfungsi untuk mengatur para warga masyarakat hukum adat yang bersangkutan;
 - c. adanya hubungan saling ketergantungan yang bersifat religi antara masyarakat hukum adat dan wilayah yang menjadi hak masyarakat hukum adat.
- (2) Pengakuan keberadaan masyarakat hukum adat, sebagaimana dimaksud pada ayat (1) ditetapkan dengan Peraturan Daerah Kabupaten/Kota;
- (3) Pengakuan keberadaan masyarakat hukum adat yang berada pada lintas Kabupaten/Kota ditetapkan dengan Peraturan Daerah Provinsi atas usulan bersama Pemerintah Kabupaten/Kota di wilayah keberadaan masyarakat hukum adat.
- (4) Pengakuan sebagaimana dimaksud pada ayat (2) dan (3), tidak boleh mencampuri materi atau isi sistem kepemimpinan, sistem kelembagaan, norma hukum, dan adat istiadat yang telah dimiliki oleh masing-masing masyarakat hukum adat.

Lebih lanjut Peraturan Daerah Khusus Provinsi No. 23 tahun 2008 tentang Hak Ulayat Masyarakat Hukum Adat dan Hak Perorangan Warga Masyarakat Hukum Adat atas Tanah, Pasal 6 ayat (1) menyatakan *“Berdasarkan laporan hasil penelitian sebagaimana dimaksud dalam Pasal 5 ayat (1) Bupati/Walikota dan atau Gubernur menetapkan ada atau tidak adanya hak ulayat masyarakat hukum adat dan atau hak perorangan warga masyarakat hukum adat atas tanah dengan keputusan.”*

8. Bahwa paska pemekaran pemberlakuan otonomi khusus juga berlaku di Provinsi Papua Barat, sebagaimana dimaksud dalam Pasal (1) huruf (a) dalam Peraturan Pemerintah Pengganti Undang-Undang Republik Indonesia Nomor 1 Tahun 2008 Tentang Perubahan Atas Undang-Undang Nomor 21 Tahun 2001 Tentang Otonomi Khusus Bagi Provinsi Papua, yang berbunyi :

“Provinsi Papua adalah Provinsi Irian Jaya yang kemudian menjadi Provinsi Papua dan Provinsi Papua Barat yang diberi Otonomi Khusus dalam kerangka Negara Kesatuan Republik Indonesia;”

9. Bahwa jika merujuk padaperaturan perundang-undangan di atas, **maka penetapan masyarakat hukum adat dan wilayahnya termasuk hutan adat di Papua dan Papua Barat dilakukan melalui dasar hukum sebagai berikut:**



Selanjutnya, dalam hal wilayah adat dan/atau hak ulayat berada di dalam kawasan hutan (atau dianggap di dalam kawasan hutan) maka perlu ada proses administrasi untuk mempertegas pergeseran status, penegasan letak, batas dan luas dari wilayah hutan yang ada di dalam wilayah adat. Proses ini disebut sebagai pengukuhan kawasan hutan (Lihat: Pasal 14 dan Pasal 15 UU 41 Tahun 1999 tentang Kehutanan). Prosesnya sendiri berjalan dalam empat tahapan: penunjukan kawasan hutan, penataan batas kawasan hutan, pemetaan batas kawasan hutan dan penetapan kawasan hutan. Pengaturan lebih lanjut soal ini diatur di dalam dalam PP No. 44 Tahun 2004 tentang Perencanaan Kehutanan, Peraturan Menteri Kehutanan (Permenhut) No. P. 44/Menhut-II/2012 jo Permenhut P.62/Menhut-II/2013 tentang Pengukuhan Kawasan Hutan dan Permenhut No. P.25/Menhut-II/2014 tentang Panitia Tata Batas.

10. Bahwa kewenangan otonomi khusus di Papua dan Papua Barat tidak menghilangkan kewenangan Pemerintah Pusat, karena konsep Hak Menguasai Negara. Hubungan antara hak ulayat masyarakat hukum adat dengan HMN dijelaskan dalam Pasal 33 ayat (3) UUD 1945,

yaitu memberi kewenangan kepada masyarakat hukum adat untuk menguasai semua tanah seisinya yang ada di wilayah kekuasaannya, pada tingkatan tertinggi (secara nasional) kewenangan tersebut diserahkan kepada negara dalam Hak Menguasai Negara.

Konsep ini kemudian diterjemahkan lagi dalam UUPA pasal 2, yaitu; hak menguasai tanah oleh negara semacam hak ulayat yang diangkat pada tingkatan yang tertinggi yaitu meliputi seluruh wilayah Indonesia. Konsep tersebut diterima sepanjang hak ulayat yang ditarik pada tingkatan yang tertinggi itu tidak mematikan / meniadakan hak ulayat masyarakat hukum adat yang menurut kenyataannya benar-benar masih ada. Kedua hak itu hidup secara berdampingan, dan hak menguasai tanah oleh negara tidak boleh mematikan / meniadakan hak ulayat, bahkan sebaliknya ia harus mengayomi dan melindungi hak ulayat (Bakri 2004 dan Warman 2009).

Konsepsi diperkuat oleh Putusan MK 35/2012 yang menyebutkan bahwa : (1) Penguasaan atas hutan mengikuti penguasaan atas tanahnya (wilayah), dan kedua (2) hutan adat adalah wilayah adat (tanah) masyarakat hukum adat yang berada dikawasan hutan (2014). Artinya, pengakuan terhadap hak ulayat masyarakat hukum adat, khususnya di dalam kawasan hutan tidak berarti mengurangi HMN oleh negara dalam arti sebagai fungsi publik negara, terutama dalam hal pengurusan kawasan hutan.

KESIMPULAN DAN REKOMENDASI

2. Bahwa berdasarkan analisa hukum di atas, maka *pendapat hukum* ini berkesimpulan, sebagai berikut:
 - a. Bahwa UU Otsus adalah undang-undang sebagaimana dimaksud oleh UUD **Pasal 18B ayat (2)**
 - b. Bahwa UU Otsus, menegaskan *warga masyarakat asli Papua yang sejak kelahirannya hidup dalam wilayah tertentu dan terikat serta tunduk kepada hukum adat tertentudengan rasa solidaritas yang tinggi di antara para anggotanya sebagai masyarakat hukum adat*
 - c. Bahwa UU Otsus mengakui **Hak Ulayat** adalah hak persekutuan yang dipunyai oleh masyarakat hukum adat tertentu atas suatu wilayah tertentu yang merupakan lingkungan hidup para warganya, yang **meliputi hak untuk memanfaatkan tanah, hutan, dan air, serta isinya.**
 - d. Selanjutnya, dengan diterbitkan :
 - 1) Peraturan Daerah Khusus Provinsi Papua No. 22 tahun 2008 tentang Perlindungan dan Pengelolaan Sumber Daya Alam Masyarakat Hukum Adat Papua **maka penetapan keberadaan masyarakat hukum adat ditetapkan dengan Peraturan Daerah Kabupaten/Kota atau Provinsi**
 - 2) Peraturan Daerah Khusus Provinsi No. 23 tahun 2008 tentang Hak Ulayat Masyarakat Hukum Adat dan Hak Perorangan Warga Masyarakat Hukum Adat atas Tanah **maka penetapan keberadaan hak ulayat ditetapkan dengan Peraturan Bupati/Gubernur.**
3. Bahwa berdasarkan kesimpulan itu, maka *pendapat hukum* ini merekomendasikan:
 - a. **Pemerintah Kabupaten/Kota atau Provinsi** untuk membentuk Peraturan Daerah yang menetapkan masyarakat hukum adat dan Peraturan Bupati/Gubernur yang menetapkan hak ulayat

- b. **Planologi dan BPKH** untuk melakukan proses administrasi untuk mempertegas pergeseran status, penegasan letak, batas dan luas dari wilayah hutan negara yang ada di dalam wilayah adat menjadi hutan adat mukim atau hutan ulayat mukim.
- c. **Menteri LHK** melakukan registrasi terhadap kawasan hutan pemanfaat secara adat sebagai hutan adat mukim atau hutan ulayat mukim, sebagaimana tertera dalam Diktum Ketiga keputusan-keputusan bupati di atas.
- d. Registrasi tersebut dilakukan sebagai proses administrasi pencatatan, sehingga tidak menggunakan mekanisme Permen LHK No P32/menlhk-Setjen/2015 tentang Hutan Hak. Terlebih lagi dalam Pasal 15 Permen tersebut telah pula ditentukan bahwa “hutan adat yang sudah ditetapkan dengan peraturan daerah atau keputusan kepala daerah dinyatakan tetap berlaku dan ditetapkan sebagai hutan hak sebagaimana diatur dalam Permen ini.

Jakarta, Oktober 2016

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

October Week II 2016

by

Anggalia Putri Permatasari

In this report:

- New Ministerial Regulation on Social Forestry (*PermenLHK Perhutanan Sosial*)
- Law enforcement : KLHK vs. PT Merbabu Pelalawan Lestari
- Walhi's release: corporations responsible for forest fire
- Peatland Restoration
- ISPO revision
- Palm Oil Moratorium
- Draft Presidential Regulation on SDG
- FLEGT implementation
- Mining Moratorium in Aceh
- Sustainable Financing Policy from the Financial Service Authority (OJK)

A. Activities

Activities in the period of 1-14 November are:

28. Reviewing draft zero deforestation study
29. Following news and policies related to REDD+, including forest fire and law enforcement, social forestry, peatland restoration, and palm oil developments.

B. Developments on REDD+ Implementation

nnn.Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

Funding Instrument

No new information in this period.

ooo. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

Ministrial Regulation on Social Forestry No. 83/2016

- On November 7, 2016, the Ministry of Environment and Forestry issued a ministerial regulation on social forestry (PermenLHK Perhutanan Sosial) No. 83/2016. The regulation was issued to “reduce poverty, unemployment, and inequality of forest area management” and aims to give local communities legal access to forest, albeit **only management rights** (for 35 years) with the exception of customary forest, which is ownership rights. This regulation is meant to simplify procedure to obtain social forestry licenses that has been hampering the attainment of the 12.7 million hectares target of social forestry. It explicitly states in one of its articles that it aims to address tenurial conflicts and gives justice for local communities and customary law communities living inside and around forest area. Therefore, it can be said that this regulation is also meant as conflict resolution instrument.
- This regulation has accommodated the terminology of customary forest (*hutan adat*) in its definition of social forestry. It says that social forestry is “a sustainable system of forest management conducted in state forest area or **private/customary forest** by local communities or customary law communities (the terminology used is *masyarakat hukum adat* and is not indigenous people or *masyarakat adat*) as the main actor to improve their welfare and achieve balance between the ecology and social and cultural dynamics in the form of **Village Forest (HD), Community Forestry (HKm), Community Timber Plantation (HTR), Customary Forest (Hutan Adat), and Forestry Partnership**.
- The village is given an important role in social forestry management. Villages can be given a management right of state forest area, including protection forest (*hutan lindung*) and production forest (*hutan produksi*). The right to manage village forest is called HPHD (Village Forest Management Right) and is given to a designated village institution. Community Forestry (HKm) can be equated to logging concession license and Community Timber plantation to Industrial Timber Plantation (HTI) license. These licenses can be issued by Governor in areas that have included social forestry in their development plan. Meanwhile, Forestry Partnership is a mandatory cooperation scheme between local communities with forest management authority or license holders and primary forest product processing industry in all categories of forest function (production, protection, conservation). Besides in state forest area that has not been burdened with rights, these licenses can also be given in forest area managed by Perhutani (except for HTR) and Forest Management Unit or KPH area.
- One important element of this regulatory framework is Social Forestry Area Indicative Map or PIAPS (*Peta Indikatif Area Perhutanan Sosial*) because all licenses and management rights in the abovementioned five schemes will be based on the Map. The Minister of EF will determine the map and revise it every six months by General Director of Planology just like the Indicative Map on Moratorium of New Licenses on Primary Forest and Peatland (PIPIB). The Map will give priority to the following three activities: 1) conflict resolution, 2) peatland restoration, and 3) ecosystem restoration. Local communities are prohibited from planting palm oil in their social forestry areas (HD, HKm, and HTR and Forestry Partnership) and customary forests function must be maintained according to their designated function. Existing palm oil plantations in these areas are allowed for 12 years since the planting.
- The process of social forestry will be facilitated by an institution called Pokja PPS or Social Forestry Acceleration Task Force. However, who are sitting in the Task Force is still not clear.

- The procedure for obtaining social forestry licenses is indeed simpler according to these regulation. However, it still needs a Perdirjen or Director General Regulation on the procedure of technical verification to be fully operational. The regulation has been disseminated to RFN Partners and CSO network.

Mining Moratorium in Aceh

- Governor Instruction on Mining moratorium in Aceh that was issued in 2014 was extended until October 2017. The moratorium includes evaluation and verification of existing mining licenses (IUP) to check if they are “clean and clear”

ppp.Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

Peatland Restoration

- Currently, the Peatland Restoration Agency (BRG) is trying to determine where peat domes are located through drilling. They have also conducted social mapping in 104 villages in Central Kalimantan and South Sumatera, a minuscule amount out of the 2,945 villages located in peatland area and 1,205 villages in restoration area.
- The next step is to develop restoration indicative map on scale 1:50,000; 1: 10,000; and 1:2,500 and determine which areas will be categorized as protection area and cultivation area. The current indicative map issued by BRG on September 2016 classifies peatland into three categories: peat in protection area (684,000 hectares), peat in cultivation area with licenses (1.4 million hectares), and peat in cultivation area without licenses (396,000 hectares). The map, however, is still very vague on scale 1: 250,000.
- BRG has met with several plantation and forestry companies operating on peatland to agree on rules of peatland management. The Head of BRG stated that the companies have agreed not to open, make canals, and plant peatland that has peat domes in their concession. 485,000 hectares of peatland inside concession has been “rezoned” as protection area, 910,000 hectares as an area of hidrology restoration and revegetation.
- Regarding funding, the government has approved IDR 890 billion in the 2017 state budget to prevent fire on peatland and to restore peatland in the seven priority provinces with Sumatera as the main priority.
- In its three monthly report, BRG stated that an area with the size of 606,000 ha has been mapped for its KHG (Peat Hidological Unit) in four priority provinces specifically with the help of Norwegian money. Aside from KHG and social mapping and an effort to rezone peatland inside concessions, BRG is implementing a program called “Desa Peduli Gambut,” Action Research and Monitoring, and trial of sago cultivation and husbandry on peat.

Law Enforcement against Forest Crimes

- On November 16, the Supreme Court granted the MoEF’s suit against PT Merbau Pelalawan Lestari (MPL), a business partner of RAPP and APRIL, and the company must pay IDR 16 trillion for environmental destruction it has caused due to its illegal logging activities conducted in 2004-2006 in Pelalawan District, Riau.
- So far, many rulings in favor of the environment are issued by the highest level court, the Supreme Court, both in the form of Casation and Review (Peninjauan Kembali) while at the Public and Higher Court, KLHK’s and others’ environmental lawsuits are often rejected or ruled against. Walhi is advocating for a special court for the environment because of lack of court effectiveness at these two levels.

Walhi's Release of Companies Responsible for Forest Fire

- Walhi released a list of major companies responsible for forest and land fire based on analysis of forest fire in Riau, Jambi, South Sumatera, West Kalimantan, and East Kalimantan.
- Walhi's analysis shows that the majority of hot spots were located inside companies' concession area: 5,669 hot spots in Timber Plantation concession (HTI) and 9,168 hot spots in palm oil concession.
- The companies are as follows:

No.	Province	Company Group	Total
1	Central Kalimantan	Sinar Mas	3 subsidiaries
		Wilmar	14 subsidiaries
2	Riau	APP	6 subsidiaries
		Sinar Mas	6 subsidiaries
		APRIL	6 subsidiaries
		Simerderby	1 subsidiary
		First Resources	1 subsidiary
		Provident	1 subsidiary
3	South Sumatera	Sinar Mas	8 subsidiaries
		Wilmar	11 subsidiaries
		Sampoerna	4 subsidiaries
		PTPN	3 subsidiary
		Simerderby	1 subsidiary
		Cargil	1 subsidiary
		Marubeni	3 subsidiaries
4	West Kalimantan	Sinar Mas	6 subsidiaries
		RGM/APRIL	6 subsidiaries
5	Jambi	Sinar Mas	2 subsidiaries
		Wilmar	2 subsidiaries

qqq. General developments of sectors related to drivers of deforestation, such as the palm oil sector

Palm Oil Moratorium

- The palm oil moratorium policy has not been issued because there are issues regarding palm oil inventory and land use titles (HGU) that have not been resolved. However, the Minister of EF stated that the formulation from her ministry is final. She stated that out of 2.3 million hectares of palm oil that are located inside forest area, around 1.6-1.8 million hectares can be "saved." The Minister of National Development Planning said that the regulation will be issued in 1-2 weeks.

ISPO Revision

- The process of ISPO revision is entering the final draft. The government is currently putting additional provisions and wrapping the administrative process. The Ministry of Agriculture stated that the additional provisions include sustainable palm oil governance that prohibits logging of primary forest and provisions on human rights. Companies that violate the provisions will have their ISPO certificates suspended.

- However, there has been no agreement regarding palm oil plantation on peatland. ISPO has not accommodated no peat policy because the Ministry of Agriculture (and GAPKI) still hold the opinion that palm oil can be planted on peatland with depth less than 3 meters provided that the water level is well managed. This is not in contradiction with Indonesia's current regulation (PP Gambut), which still allows peat cultivation with depth less than 3 meters, a legal loophole in peatland restoration and protection effort. Although the more recent Presidential Instruction and Ministerial Circular Letters have banned the opening of all peats regardless of depth, they cannot touch the existing palm oil plantation on peat.
- With no reception of the more progressive elements of private sector commitment, specifically no peat and HCS elements, ISPO revision is unlikely to be as progressive and strong as hoped by civil society. Palm oil industry's influence is still very strong in this process.

rrr. Others

Government Regulation on SDGs

- The Ministry of National Development Planning (Bappenas) is preparing a Government Regulation on Sustainable Development Goals (SDGs) that will become the legal basis for SDG implementation in Indonesia. The SDGs include Goal 13 (climate action) and Goal 15 (forest protection) and can support the implementation of REDD+ in Indonesia if it is sufficiently linked and made coherent. The target is to issue the regulation before 2017. In 2017, the Ministry will develop roadmap to achieve SDGs by 2030 and a national action plan on SDGs.

FLEGT Implementation

- Indonesia's FLEGT license has been operational since November 15 and there are already shipments made to several countries in Europe using this license, among others to Belgium, UK, and Germany. So far, Indonesia has issued 36 FLEGT licenses. Meanwhile, the Independent Monitoring Network_JPIK warns several modus operandi that can undermine the system, including forgery of license, maladministration and "flag borrowing" that although had been reported in the past have not received serious attention from the government and law enforcement.
- The Multistakeholder Forestry Programme (MFP) records that there are already 2,843 certified forest industry in Indonesia doing exports to 220 countries.

Sustainable Financing Policy from the Financial Service Authority (OJK)

- Starting in 2017, the Financial Service Authority (OJK) will prohibit banks from lending to corporations that destroy the environment. The agency will strike those corporations from the debtor list. The policy will be issued in the form of OJK Regulation that is planned to be issued next year. The policy has gathered support from domestic banks, including Bank Mandiri, BNI, BRI, BCA, Bank Muamalat, BNI Syariah, BJB, and Bank Artha Graha. It is possible that OJK will issue Green Credit Policy such as issued in China in 2012. This may bring huge implication to financial flow to plantation and mining corporation and can help push corporations to issue and implement sustainable policies.

C. Tentative Plan for November II 2016

- Discussion on the preliminary result of zero deforestation research (MADANI)
- Following invitation of FCPF team and KLHK to discuss funding instrument and FCPF development in Indonesia

- Follow up of the Peatland Monitoring Initiative

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	Revision of PP Gambut Status: at the latest stage, expected to be issued soon.	No update yet. Still in the hands of Kemenkopolkukham (currently reshuffled) No follow up from KSP	Criteria of protection peat and peat for utilization Community-managed peat (protection from large-scale development activities and accomodation of community utilization of peat) Risk of community criminalization due to general prohibition of use of fire
2.	RPP Instrumen Ekonomi Lingkungan Hidup/IELH Status: has finished consultation stage, targeted to be issued in June but not published yet	The draft is currently in the hands of Kemenhukham, 5 th stage of harmonization. Need to remind KLHK (Ditjen PPI) that development of REDD+ funding instrument regulation must be open, consultative, and inclusive.	The Environment Fund will be regulated in a separate Presidential Regulation (Perpres). Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.
3.	Revision of Perpres RAN-GRK (Lampiran)	Ongoing	The role of social forestry in mitigation has not been acknowledged. Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation. Not addressing spatial injustice . No clear link or reference to Stranas REDD+
4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program document until January 2017.	Safeguards, protection of community rights, expansion or

			shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Kemenko still gives a time for Ministry of Agriculture and Spatial Planning to make adjustments.	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	Ongoing, will be published in November 2016. Still no news regarding PIPPIB revision	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: almost 1 (one) hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Waiting for official enactment of Kajang customary forest to be issued.	
10.	Realization of 12.7 million hectares of social forestry	Issuanc of PermenLHK No. 83/2016 that simplifies procedure to obtain social forestry licenses. Still need to be operationalized by Regulation of Director General (Perdirjen)	Difficult and lengthy procedure Rolling back authority to the provincial level leaves a vacuum at the district level to issue social forestry licenses.

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

November Week II 2016

by

Anggalia Putri Permatasari

In this report:

1. Progress of Funding Instrument
2. PP Gambut Revision
3. Indonesian Forestry Congress VI:
 - a. REDD+
 - b. Conflict Resolution
4. Progress of social forestry, including hutan adat, law enforcement, regional spatial planning (Aceh, East Kalimantan), moratorium in Mentawai,

A. Activities

Activities in the period of 15-30 November are:

30. Following news and policies related to REDD+, including forest fire and law enforcement, social forestry, peatland restoration, and palm oil developments.
31. Studying the new ministerial regulation on social forestry (PermenLHK No. 83/2016)
32. MADANI's strategic planning follow-up meeting and writing strategy document (proceeding)
33. Meeting with Menik and Gair
34. Meeting with Directorate of Climate Funding Mobilization of KLHK regarding REDD+ funding instrument
35. Attending Indonesian Forestry Congress VI
36. Studying the draft Presidential Regulation on ISPO

B. Developments on REDD+ Implementation

sss. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

Funding Instrument

- Based on information from the head of Directorate of Mobilization of Sectoral and Regional Resources at the Directorate General of Climate Change Control (Ditjen PPI), the draft Government Regulation (RPP) of Environmental Economic Instrument (RPP IELH), which will be the umbrella law of REDD+ Funding Instrument, is at the final stage before being issued (in the State Secretariat) and has been signed by eight relevant ministries. It is expected that the draft regulation will be submitted to the President this week.

Environment Fund is only one of the issues regulated in the PP. There will be a President Regulation (Perpres) and Ministerial Regulation (Permen) that will regulate on Environment Fund specifically.

- Three are three types of fund regulated in the RPP, namely: 1) Guarantee Fund (Dana Jaminan), which has already been operational, 2) Environmental Damage Handling Fund (Dana Penanggulangan Kerusakan), and 3) Trust Fund for Natural Resources Conservation (Dana Amanah untuk Konservasi SDA)

Guarantee Fund	Already operational, for example restoration fund for post-mining activities, mandatory for extractive companies
Environmental Damage Handling Fund	Including for climate change mitigation and adaptation From state budget, private sector (CSR), carbon market (when ready)
Natural Resources Conservation Trust Fund	Including for climate change mitigation and adaptation From other sources than state budget, including grant from international donors

- Besides the Government Regulation there are also more operational regulations for the funds, namely: 1) Presidential Regulation (Perpres) on Environment Fund (Perpres BLU) and 2) Ministerial Regulation (Permen) on Environment Fund. REDD+ Funding Instrument will come as a Ministerial Regulation too (for LULUCF, including REDD+). Currently, there are already drafts of the regulations, but have not been shared with the public. The Perpres BLU is currently being harmonized in the Ministry of Law and Human Rights.
- The National REDD+ Strategy (STRANAS) will become a referene in the Ministerial Regulation and there will be public consultations for the governance structure of REDD+ Funding Instrument. There will also be representatives of stakeholder in the governance structure (in the steering committee).

ttt. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

PP Gambut Revision

- On December 1, President Jokowi signed amendment of PP Gambut through PP No. 57/2016. However, the text has not been shared due to the pending process of publishing it through the state gazette. This has made it difficult for CSOs to formulate a response.
- According to media statements, the revised PP prohibits new land clearing on peat (moratorium) and puts a total ban on peat burning. If this is true, it is a positive development towards peatland protection in a way that it provides a legal basis to prohibit peat clearing to prevent fire, something that previously only had a weak legal basis in the form of Circular Letter of KLHK and Agrarian and Spatial Planning (ATR). If properly enforced, this will provide a breathing space to improve peatland governance. However, in the most recent circulating draft (October 2016), it is stated that the moratorium only applies to "certain plants" that will be further regulated in a Ministerial Regulation. There is no explanation regarding to these "certain plants," whether they include large-scale agribusiness such as palm oil and industrial timber plantation or whether the qualifier is put there to allow for community-based paludiculture such as sago and other plants that can be planted without having to dry the peat.
- According to KLHK press release, the amendments can be categorized into amendments regarding substance and authority.

- Substance:
 - Criteria of protected peat = because in one peatland hidrological unit (KHG) there can be more than one peat domes, the phrase “or more than one peat domes” is inserted in the provision that regulates that 30% of KHG must be designated as protected peat.
 - The scale of Peat Ecosystem Function Map at the provincial level is increased up to 1: 50,000
 - Provision regarding procedure for measuring the water table
 - Provision regarding development of technical regulations regarding KHG map, function zonation in KHG area, and evaluation and audit of peat utilization (license review), early warning system to prevent forest fire, community involvement, and temporary take over of burned concession by the government followed by verification by Minister of KLHK that could lead to reduction of concession area.
- Authority: adjustment with the new regional government and the current cabinet structure. What is strange is that there is no mention of BRG in the list of government agencies to consult and coordinate with as proposed both by BRG and civil society. This puts BRG’s authority in peatland restoration, which includes some of the steps mentioned in the PP, in question. Will BRG be able to effectively coordinate the mapping, function zonation, and development of protection and utilization plan of peatland without being explicitly mentioned in the PP is doubtful.
- Since there is no complete text, it is assumed that the articles not mentioned in the press release as a substance of revision remain the same, including the following crucial articles:
 - Criteria of peat ecosystem that must be designated as protected peat (in addition to the 30% requirement), including **peat with depth equal to or more than 3 meters**. This 3 meter provision means that shallow peat will probably designated as peat for cultivation if it does not have additional criteria such as the existence of specific plasma nutfah or protected species. The remainin peat ecosystems that do not meet the criteria and the 30% requirement will be designated as peat for cultivation.
 - Despite the moratorium, **after peat ecosystems are designated as peat for cultivation**, it can still be utilized and planted with anything, including palm oil and timber plantation because there is no provision that prohibits those kinds of utilization. It means that the peatland protection will largely depend on the function zonation, a process of which is uncertain in terms of transparency and participatory approach.
 - Criteria of damage for protected peat: there is a drainage, exposure of kwarsa and pirit sediment, and reduction of land cover.
 - Criteria of damage for peat for cultivation: water table drops below 0.4 metre (subsidence), exposure of pirit and kwarsa sediment. GAPKI wants the 0.4 metre to be compromised to 0.8 metre so that they could dry it further but fortunately the proposal was not accepted. BUT the 0.4 metre provision does not apply for peat for cultivation with depth less than 1 metre, which will be regulated in the environmental license. This is unfortunate because ideally, the 0.4 metre is the minimum threshold to prevent peat from being drained that could lead to fire.
- The transition articles, which are very crucial, are also not mentioned in the press release as something that was amended, which is very disappointing. The current transition articles state that licenses and concessions issued on protected peat before the PP was issued and that are already operational (existing operational licenses) are still valid until they are expired. There is no provision that such licenses shall be reviewed and ended (for example after one cycle is completed). There is even no provision that there shall be no extension!

It means that BRG's effort to lobby concession holders to rezone peat ecosystems that meet the criteria of protected peat will become harder. The current provision also states that existing unoperational license are also still valid as long as they maintain the hydrological function of the peat ecosystem while ideally they should be revoked immediately. These transition articles are very disappointing and reflect the powerful lobby of plantation industries that have been trying to fight back both BRG and civil society proposals to review and gradually phase out licenses on protected peat.

- The Coalition (HuMa, Epistema, Madani) has met and is developing a reactive line to respond to the amendments in the press release while waiting for the full text to analyze. In the meeting, we found inconsistencies between the new PP gambut and the Circular Letters of the Ministry of Environment and Forestry and Ministry of Agraria and Spatial Planning regarding the prohibition to open peatland, if not in text at least in spirit. In the Circular Letters, everyone cannot open peat wherever they are, including peat located inside concessions, which implies total ban of peat clearing without discriminating between protection and cultivation function and without any predetermined time limit. We want this ban to be permanent to create long-lasting protection for the remaining peat regardless of depth and zonation. But in the new PP Gambut, the prohibition is explicitly temporary (hence "moratorium," not permanent protection). The prohibition to open peat only applies until the zonation is determined (protection or cultivation), which means that this still allows for cultivation or conversion of peat in peat for cultivation zones. The provision of "for certain plants" as mentioned above also raises a question whether the moratorium is effective immediately or waits until the Ministerial Regulation of the "certain plants" is issued, which can take a long time. Besides the reactive line that will be issued immediately, the Coalition plans to analyze the full text of the new law to determine whether it undermines or supports peatland restoration based on the following 5 indicators: 1) peatland ecology, 2) whether corporations are encouraged to actively participate or otherwise, 3) whether the communities will benefit, 4) whether the institutional setting is supportive of BRG work, and 5) whether it is consistent with other regulations.

Leuser Ecosystem (KEL) and Aceh Spatial Planning

- The state court of Central Jakarta denied the lawsuit filed by NGO coalition, GeRAM (Gerakan Masyarakat Aceh Menggugat) against the Ministry of Interior, Governor, and Aceh People's Representative Council for not including the Leuser Ecosystem in Aceh Spatial Planning (2014-2034) as regulated in Aceh Regional Regulation (Qanun) No. 19/2013. The NGO Coalition demanded that KEL be included in Aceh Spatial Planning due to the importance of the area ecologically and that the process be transparent and participatory. The Leuser ecosystem consists of an area with the size of 2.2 million hectares in the form of protection forest, production forest, hunting forests, as well as area for other purposes (APL), which can be developed into plantations. In only 6 months (January to June 2016, the size of forests in KEL has decreased by 4,097 hectares). Due to its uniqueness, KEL is included in the national strategic area, but it is currently not mentioned as a protected area in the Aceh Spatial Planning. KEL is currently facing a threat from expansion of mining and plantation and including KEL in Aceh Spatial Planning as protected area is a vital step to legally protect it and stop the destruction. However, the legal action did not succeed as their petition was denied by the judge.

Moratorium of Forest Destruction in Mentawai

- In October 2016, Mentawai Head of District, Yudas Sabbagalet, issued a Head of District Instruction (Instruksi Bupati) No. 1 year 2016 that instructs the Agriculture, Husbandry, and Plantation Office not to approve or issue large scale agriculture licenses in Mentawai before the Spatial Planning is adjusted by the Regional Development Agency (Bappeda). Meanwhile, Bappeda is instructed to accelerate the issuance of Regional

Regulation on the Recognition of Customary Law Communities in Mentawai and amendment of Mentawai Spatial Planning, which accommodates customary law communities' territories.

uuu. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

Social Forestry

- The target of social forestry, which includes Village Forest (HD), Community Forestry (HKm), Customary Forest (Hutan Adat), Community Plantation Forest (HTR), and forestry partnership schemes is 12.7 million hectares by 2020, but the realization is currently only **1.67 million hectares**. The social forestry realization was slow due to the complicated procedure and lack of political will. Recently, KLHK issued a new ministerial regulation for social forestry that is claimed to simplify the procedure for community to apply for social forestry. As for the political will, there are already high level statements (from President Jokowi and Ministry Siti Nurbaya) that social forestry will be prioritized in forestry development in the future, not concession for large companies. The high-level commitment is there, the main regulation is there, but there are still several operational regulations at the Directorate General level (Perdirjen) required to operationalize the ministerial regulation.
- Currently, the communities can apply online for social forestry (funded by Norway REDD+ money) that can be accessed at <http://pskl.menlhk.go.id/akps/>. The procedure is now taken to the central level to overcome political obstacles at the regional level and the decision letter is signed by Secretary General of KLHK. The site also contains the indicative map of social forestry (PIAPS), which is the reference to assign location for social forestry throughout Indonesia. There is also a search function for social forestry licenses that are being processed and have been issued that can be tailored based on search categories (province, district, status of progress, and type). These tools are a step forward to increased transparency in the social forestry sector and are quite useful to track the progress of specific area's social forestry but what is also necessary is regular analysis/updates regarding the progress of social forestry realization nation-wide in the form of articles or number alert on the website.
- **Social forestry in East Kalimantan.** The government of East Kalimantan has recently set a target of 600,000 hectares of social forestry and will include it in the Regional Regulation of East Kalimantan Spatial Planning of 2016. At the moment, the government is taking inventory of the possible locations. The target means that the province can handle the administrative aspect of social forestry program that otherwise will be handled by the central government. This has the potential to make it even easier for communities in the province to apply for the licenses. This initiative also provides a basis for community forestry program in FCPF initiative that is currently at the stage of program document development.

Hutan Adat

- Hutan adat is part of the social forestry program that has received high priority status in KLHK, but its realization is even more challenging because KLHK will only designate hutan adat after there is a regional regulation on recognition of customary law communities which include their areas. Therefore, the ball is in

the Bupati's yard, which also includes the regional parliament, which means the process is usually hard due to political reasons. In addition, legally, the hutan adat category is not a "license" that can be issued based on KLHK's discretion, but is contingent on legal recognition at the regional level.

- The case of hutan adat Kajang that has not been approved formally despite many statements by the Ministry saying that it has approved it "principally" shows that the Ministry has fears that recognition of hutan adat will create a domino effect that will alter the landscape of forest control in Indonesia (because customary claim to forest is tremendous in size). Civil society 'advisors' inside the Ministry said that instead of pushing hard and pressure the Ministry, CSOs are advised to take a more diplomatic approach by assisting the Ministry in technical matters while continue regular communication and lobby to the Ministry to push for hutan adat agenda. CSOs also have many 'homeworks' because most of hutan adat proposals that have been submitted to KLHK still lack the crucial requirement, namely official recognition of subject in the form of regional regulation (Perda).
- **Customary territory registration.** Up to November 2016, data from BRWA (Badan Registrasi Wilayah Adat) states that nationally, there are 1,059 customary territories recorded in BRWA with the following detail: 927 at the registration stage, 108 already registered and ready for verification, 22 verified, and only 2 already certified (Kasepuhan Cibarani and Kasepuhan Pasirseurih from Lebak District, Banten, West Java). The data have been shared with the government, including KLHK, Ministry of Agraria and Spatial Planning, and Peatland Restoration Agency.

Law Enforcement in Forest Fire Case

- KLHK lost in a civil litigation effort against a palm oil plantation (PT Surya Panen Subur) in the supreme court. The Court refused to overturn the verdict of the higher court that found the company not guilty of damaging the environment by burning land in 2012. The judges argued that the land did not suffer damage despite fire that happened in the location and indications that they company burned the land intentionally to develop palm oil.

Conflict Resolution (progress)

In terms of conflict resolution at the national level, the government has established Directorate of Tenurial Conflict Handling and Customary Forest under the Directorate General of Social Forestry and Environmental Partnership of the MoEF in 2015 and in terms of regulation, there is already a Ministerial Regulation of KLHK No. P.84/2015 concerning Resolution of Tenurial Conflict in Forest Area.

The conflict resolution program in 2014-2015 is focused on three things:

- Develop **conflict resolution mechanism** in forest management and National Park
- Support **policy development** to strengthen conflict resolution
- Support the **capacity** of KLHK and regional government

Conflict resolution initiatives facilitated by government and REDD+ partnership program (UNDP) are as follows:

- 1) Conflict in PT REKI concession (ecosystem restoration license), already resulted in conflict resolution agreement followed with monthly monitoring of the implementation.
- 2) Conflict in PT Wana Perintis (timber plantation)

- 3) Conflict in Kerinci Seblat National Park
- 4) Conflict in Tesso Nilo National Park
- 5) Conflict with PT Arara Abadi

- The REDD+ partnership program also collaborates with **the National Commission on Human Rights** for conflict resolution in Tesso Nilo Riau and Kerinci Seblat National Park Jambi and **the Presidential Staff Office (KSP)** to develop a macro strategic plan to expand public access to forest and land ownership. Three priority programs for 2016-2017 are social forestry, recognition of indigenous people's rights, and land conflict-Agrarian Reform
- The agrarian reform program involves 5 Ministries: KLHK (12.7 million of hectares of social forestry), Ministry of Agraria and Spatial Planning (9 million hectares of ex-logging concession/HGU), and Ministry of Interior, Ministry of Village.

Summary of conflict resolution initiatives (draft UNDP report, not to be cited yet)

Case and location	Scope		
	Size (ha)	Household	Affected Individuals
PT REKI concession (Jambi)	2.672	275	988
PT Wana Perintis (the scheme pushed is customary forest, but must wait for IP Task Force)	114	169	845
PT Arara Abadi (the scheme pushed is customary forest, but must wait for IP Task Force)	300	200	650
Kerinci Seblat (still in mediation process, initial agreement with the Regional Government of Merangin District to establish conflict handling team)	3.500	6.991	21.173
Tesso Nilo (draft initial agreement between the communities of Desa Air Hitam and Lubuk Kembang Bunga with the National Park of Tesso Nilo, currently waiting for approval of Directorate General of Natural Resources Conservation (KSDAE)	3.000	1.450	5.854
Total	9.586	9.085	29.510

However, according to UNDP report, there is an urgent need to establish a formal institution for conflict resolution **at the regional level** whether through Decision Letter (SK Gubernur or SK Bupati) or under the existing formal institution such as the Integrated Team of Social Conflict Handling (TIMDU).

Existing tools of conflict resolution include:

- Draft complaint mechanism in Directorate PKTHA and dummy for conflict handling and monitoring (Conflict Database System and Conflict Mapping Website).
- Draft Ministerial Regulation of KLHK on the Procedure of Complaint for Environmental and Forestry Cases

www. General developments of sectors related to drivers of deforestation, such as the palm oil sector

ISPO Revision

- The development of Presidential Regulation on ISPO (Perpres ISPO) is ongoing. On December 2, there was a workshop to discuss the draft Presidential Regulation on ISPO to replace the Ministerial Regulation issued by Ministry of Agriculture. The full report of this workshop and the follow-up workshop that will be held on December 14 will be included in the midterm report for December 2016. However, this discussion has not touched the detailed discussion regarding principles, criteria, and indicators of the ISPO standards itself, but only general rules about the mandatory nature of ISPO and its governance structure, including an ISPO Commission and Independent Monitoring Entities, as well as Certifying Bodies (CB).

www. Others

FLEGT Implementation

- Progress = since November 15, there have been 845 hundred licenses given to more than 100 companies with the export value of US\$ 24.96 million. Until now, there has been no monitoring report of violations in the media.

Indonesian Forestry Congress VI (29-30 November 2016)

- The Indonesian Forestry Congress (KKI) convened forestry stakeholders from the government sector, community, NGOs, academicians, and business community represented in five corresponding chambers to discuss issues pertinent to the forestry sector and determine the directions for forestry development in the next five years. It did not result in legally binding policies, but showed where consensus and disagreement are regarding forestry development priorities. The Congress also elected functionaries of the National Forestry Council (DKN), which task among other is to issue recommendations regarding forestry affairs, including conflict resolution, customary forest, and forestry business development (logging, industrial timber plantation, etc.).
- During the high-level key note speech, Indonesian Vice President, Jusuf Kalla, mentioned palm oil and mining as drivers of deforestation with short-term economic interests that has cost Indonesia a lot in terms of disaster, especially flood and drought. Meanwhile, the Minister of Environment and Forestry stated that forestry license in the future will prioritize social forestry and not large companies. Regarding peatland restoration, the Vice President said that the restoration will be done using international money and not the state budget because the world is also responsible for forest and peatland destruction in Indonesia. The state budget is only allocated for operational and administration while the remaining money must come from the international community. These statements are important because they constitute as “political commitments” to stop deforestation from mining and plantation expansion and prioritization of community forestry. The openly mentioned palm oil and mining sector as drivers is one step further towards incentivizing them to change. Besides the high level sessions, there were also discussion forums, including REDD+:

REDD+

- Nur Masripatin, Director General of Climate Change Control, gave an update regarding Paris Agreement and REDD+ implementation in Indonesia. Indonesia has ratified Paris Agreement with Law No. 16 year 2016, making NDCs a central feature of Indonesia's climate policy. The NDC will involve not just the government but also NSP (non-state players). The bulk of emission reduction burden is in the land sector (70%) and the second is in the energy sector (25%), which according to her is quite a "mission impossible".
- Nur Masripatin said that after the REDD+ Agency was disbanded, the REDD+ is "silently progressing." Until December, Indonesia is still in the transition phase and is focused on five provinces that are most prone to forest fire: **South Sumatera, Jambi, Riau, Central Kalimantan, and West Kalimantan**. The only obstacle to access the Norwegian money is the development of funding instrument, which is at the final stage.
- Things at the national level that must be wrapped up: funding instrument, transparency framework, and REL at the subnational level.
- The target for accessing results-based payment (phase III) is 2018.
- There are many lessons learned from the demonstration activities and REDD+related activities. In the 11 provinces (partners of the former REDD+ Agency), there are some provinces that face stagnation but there are also provinces that obtain support from other donors such as Aceh (by EU), East Kalimantan (by FCPF). The Ministry is now trying to get the bio carbon fund (World Bank) support. In 2017, the Ministry will continue cooperation with provinces that have not obtained support from other donors but are still committed to undertake REDD+.

C. Tentative Plan for December 2016

- Analysis of the new PP Gambut and press release with Coalition
- Follow-up of peatland monitoring initiatives meeting in Telapak
- Follow-up Indonesia's delivery of readiness package (visit FCPF office)
- Studying FCPF methodology framework for ERPD and ERPA, including for benefit sharing and safeguards to ensure Indonesia's ERPD is developed accordingly
- Epistema's workshop: priority national legislations, including IP Law, Conservation Law, Forestry Law, Law on Land.
- Write a wrap-up compilation report

Regulations and processes to watch

No.	Regulations/Processes	Status	Important Issues
1.	Revision of PP Gambut	<p>Signed by President Joko Widodo on December 1. On December 2 and 5 KLHK issued a press release regarding the issuance of the revision (Perpres 57/2016) but the new law itself has not been able to be obtained from the government.</p> <p>CSOs are formulating a reactive line (MADANI, HuMa, Epistema).</p>	<p>Risk of community criminalization due to general prohibition of use of fire on peat</p> <p>The new law does not touch existing licenses, both operational and unoperational.</p> <p>Prohibition of peat clearing only temporary (moratorium) until peat zonation is determined (not permanent), only for “certain plants” that are yet to be determined through another law (Ministerial Regulation or Permen)</p>
2.	RPP Instrumen Ekonomi Lingkungan Hidup/IELH	<p>Final stage (state secretariat)</p> <p>Are further developing:</p> <p>Presidential Regulation (Perpres) on Environmental Fund</p> <p>Ministerial Regulation on Environmental Fund</p> <p>Ministerial Regulation on Environmental Fund for Land Use (including REDD+)</p>	<p>Important things to be addressed in the governance structure: representation of IP and local community and CSO, special modality and procedures for IP and local communities, strong reference to social and environmental safeguards, participatory and transparency in all processes.</p>
3.	Revision of Perpres RAN-GRK (Lampiran)	Ongoing	<p>The role of social forestry in mitigation has not been acknowledged.</p> <p>Emphasis on conservation and enhancement of carbon stock through large-scale rehabilitation and land restoration (including timber plantation) without clear plan on avoiding deforestation.</p> <p>Not addressing spatial injustice .</p> <p>No clear link or reference to Stranas REDD+</p>

4.	Third National Communication to the UNFCCC and Biennial Update Report	Ongoing	Social impacts of mitigation policies Effectiveness of mitigation actions
5.	ER-PD/FCPF-CF	Preparation of program document until January 2017. Indonesia must deliver its R-Packages this December. (PC Meeting this mid December)	Safeguards, protection of community rights, expansion or shrinkage of community-managed area
6.	Moratorium of palm oil and mining (Presidential Instruction)	Kemenko still gives a time for Ministry of Agriculture and Spatial Planning to make adjustments.	Existing unoperational licenses The National Energy Policy that mandates biofuel
7.	Revision of PIPPIB	No news regarding PIPPIB revision that should have been launched this November	Proposal or input from partners to include new area to the current moratorium map
8.	Ministerial Regulation (Permen) to allocate moratorium area that have not been burdened with rights to local communities	No news	
9.	Penetapan hutan adat Status: almost 1 (one) hutan adat has been legalized. The process is stuck at the high level (Minister/Presidential)	Waiting for official enactment of Kajang customary forest to be issued.	
10.	Realization of 12.7 million hectares of social forestry	Realization: 1.67 million hectares Target: 2.5 million hectares/year until 2019 Issuance of PermenLHK No. 83/2016 that simplifies procedure to obtain social forestry licenses. Still need to be operationalized by Regulation of Director General (Perdirjen) Online application, potential tools for monitoring	Monitoring of progress Utilization of the online application system for communities

Bi-Weekly Report

REDD+ Local Consultant for Rainforest Foundation Norway

December Week I 2016

by

Anggalia Putri Permatasari

In this report:

5. Progress of BRG
6. Priority Legislation 2017
7. PP Gambut Revision
8. ISPO Presidential Regulation

A. Activities

Activities in the period of 1-16 December are:

37. Workshop on Strengthening ISPO (2 December)
38. CSOs meeting to respond to PP Gambut Revision (6 December)
39. FGD of Peatland Restoration Monitoring (7 December)
40. Seminar of Watching Priority Legislation 2017 (9 December)
41. International Peat Symposium (15-16 December)

B. Developments on REDD+ Implementation

xxx. Development of the legal framework and institution building that needs to be in place for REDD+ to be implemented in Indonesia

Funding Instrument

- One of the agenda items of International Peat Symposium held by BRG was the announcement of the Environment Fund establishment, but in the event, there was no such announcement, meaning that the Government Regulation (PP) has not been signed yet.

yyy. Development of other laws, plans and regulations that are likely to influence the progress of REDD+ in Indonesia, including provincial spatial plans, land use regulations from the Ministry of Environment and Forestry or instructions from the President's office

CSO initiative of monitoring priority legislations 2017

- Epistema held a workshop to discuss CSO initiative to watch and monitor priority legislations 2017 related to natural resources management and community rights, involving also expert staff from political parties in the parliament. The legislations that need to be watched are: Land Bill (RUU Pertanahan), Palm Oil Bill (RUU Perkelapasawitan), Revision of Forestry Law, Revision of Conservation Law, and Indigenous People Bill.
 - **Land Bill.** Land Bill was initiated in 2012 by Commission II of the People’s Representative Council (DRP) due to proliferation of land conflicts. Currently, the Bill is being discussed between the Parliament and the Executive and is targeted to be finished in 2017. In October 2016, a Land Caucus was born, which consists of TAF, KPA, Epistema, Solidaritas Perempuan, AMAN, etc.). Eight strategic issues in the Bill are land registration for agrarian reform, including in forest area, land rights in the framework of agrarian reform, principles, objects, and subjects, of agrarian reform, institutional matters of agrarian reform, agrarian conflict resolution, participation of vulnerable groups, and ecology restoration. Other issues include limitation and disciplining of Land Use Title (HGU) and relationship between indigenous people and land.
 - **Palm Oil Bill.** The Parliament has put the Palm Oil Bill in national priority legislation 2016, which is likely to continue in 2017. The Bill has the potential to push for the expansion of palm oil plantation in Indonesia through plantation for communities, which will be excluded from palm oil moratorium. The Parliament is really eager to pass the law. Firman Soebagyo, Deputy Head of Legislation Body of DPR RI in his statement in the media said that CSOs that the Bill is urgent to protect palm oil industry, which is deemed “strategic” from foreign intervention and competition, most notably with Malaysia, and that NGOs that are criticizing the Bill are “terrorizing” and must stop the act. Henri Subagyo, Director of Indonesian Center of Environmental Law, based on his analysis stated that palm oil is not that strategic because it requires very extensive hectares to create less revenue (compared to cocoa, coffee, rubber) and that the norms that will be regulated by the Bill have already been regulated in other laws and regulations. According to his analysis, the Bill also reduces criminal sanction for environmental degradation substantially, from 5 years of imprisonment to only 1 year. Prof Nyoman from Wetlands International also warned in BRG International Peatland Symposium that the Bill could sneak in canalization that will destroy peatland because it mandates the government to create irrigation for community plantations. Sawit Watch and ICEL are at the forefront in watching this process.
 - **Conservation of Biodiversity and Ecosystem Bill (RUU KKHE).** This Bill was initiated by KLHK and then became the Parliament’s initiative and is in the process to be put in the priority legislation list for 2017. CSOs have formed a working group (WGII) to provide critical inputs for this Bill. Critical inputs of CSOs include provisions regarding intellectual property rights that are not friendly to indigenous people and local communities, provisions regarding utilization of species in the framework of religion, custom, and rituals that are not fully acknowledged, and weakness in terms of provisions regarding ecosystem, including utilization of genetic resources by IPs and local communities.
 - **Revision of Forestry Law.** CSOs, led by HuMa, have been pushing for a revision of Forestry Law 1999 because the content is no longer relevant and must be adjusted in the wake of Constitutional Court Decisions regarding customary forest and forest area gazettelement. However, the revision process has not been picked up by the Parliament and thus failed to make to the priority legislation list in 2016 or 2017.
 - **Indigenous People Bill.** Since the failure to pass the Bill in 2014 at the end of President SBY administration, the Bill has failed to make it to the priority legislation list both in 2015 and 2016. There has been no determination for priority legislation list for 2017 and CSOs led by AMAN keep pushing the Bill to be put in the list. Some points proposed by CSOs in the Bill:

- The term that is proposed to be used is “masyarakat adat” instead of “masyarakat hukum adat.” This term integrates the understanding contained in the term “Kesatuan Masyarakat Hukum Adat” and “Traditional Communities” as mentioned in the Constitution.
- Scope of rights that is proposed to be protected include the right to territory and natural resources, the rights to development, the right to spirituality and culture, the right to healthy environment, the right to implementing own legal system, the right to education, the right to health, and the right to traditional knowledge
- There must be an institution with the sole task of taking care of indigenous people’s affairs (Komisi Masyarakat Adat), including identifying and registering indigenous people in their area.

PP Gambut Revision

As sent separately earlier, below is CSOs concerns to the revision (PP 57/2016).

1) Lack of transparency and inclusiveness in the revision process

The Ministry of Environment and Forestry (KLHK) invited only a few big NGOs, making the revision process lacking inclusiveness. Some NGOs must insist to be involved. The Coalition of Forest and Climate, which included the broader NGO community not invited in the revision discussion, eventually submitted inputs through the Peatland Restoration Agency (BRG). However, there was no response from KLHK regarding the status of the inputs and why they were not accommodated in the final outcome. In addition, KLHK announced the issuance of the revision without attaching the legal document, making it difficult for civil society to formulate a response.

2) The promise of “Total Protection of Peatland” is betrayed

President Joko Widodo and Minister of Environment of Forestry, Siti Nurbaya, have repeatedly stated in public that the administration will effect “total protection of peatland” and reaffirmed the commitment after the disastrous 2015 forest fire. The Minister of Environment and Forestry has issued a Circular Letter prohibiting new peat clearing or exploitation explicitly for forestry and agriculture business, which was strengthened with a similar Circular Letter from the Ministry of Agraria and Spatial Planning. The spirit is “total and permanent protection of peatland ecosystem as a whole,” which does not discriminate based on depth or is faced with a time limit (moratorium).

The revised Government Regulation, despite giving a legal basis for stopping new clearing and exploitation of peat ecosystem, undermines the commitment because of at least two reasons:

a. ***The regulation excludes peat ecosystems in existing licenses, both operational and unoperational.*** This means that peat ecosystems that are already given out to concessions cannot be protected by law and can still be exploited. With the issuance of this law, the former Circular Letters that prohibit peat clearing regardless of where they are (including in concessions) will lose their relevance and can be disregarded because the law is stronger. As a consequence, the work of Peatland Restoration Agency will become much harder because it must work with at least 1.4 million hectares of peat ecosystems that must be restored but are located inside private large-scale concessions. As we know, due to the nature of peat ecosystems that is ecologically connected, fragmented protection will only result in further destruction.

b. *The regulation still allows peat clearing and exploitation in areas designated as peat for cultivation.* The prohibition of clearing and exploitation of peat ecosystems is *temporary and conditional*, not total and permanent as needed to save and protect the remaining peatland in Indonesia. Everybody is prohibited from clearing peat land only **until the peat ecosystem is designated or zonated** and only for “**certain plants**”. If it is designated as peat for cultivation, the protection will be lost and it can be exploited. Since there is no provision that excludes large-scale exploitation for agribusiness, including palm oil, mining, and timber plantation, these kinds of utilization may still be allowed, which undermines the protection of peat ecosystems due to their destructive nature. The “for certain plants” provision raises a question whether it will exclude palm oil, timber plantation, or other large-scale agriculture activities from the prohibition and whether the moratorium can be immediately enforced or whether it must wait until the “certain plants” is defined by a Ministerial Regulation, which can take a long time, leaving a time gap that allows for further destruction of peat that cannot be punished legally.

3) Legal certainty for peatland restoration agenda

Civil society appreciates inclusion of several articles to strengthen the legal basis of peatland restoration, among others the strengthening of coordination, institution, access to public information, and community involvement. However, some concerns remain unaddressed:

Mapping of Peatland Hidrology Unit (KHG)

- **Overlap of authority and lack of data transparency.** According to Presidential Regulation No. 1/2016 concerning Peatland Restoration Agency (BRG), BRG will conduct mapping of KHG for 7 provinces. However, KLHK also conducts the same process but separate, including for the 7 provinces that are supposed to be covered by BRG. This raises a question regarding effectiveness and potential for overlap. Besides, the government has failed to provide the public with accurate data regarding how much is the total peatland in Indonesia and how much peat ecosystems have already been given to concessions, making analysis and monitoring by civil society very difficult.
- No social aspects in map for restoration. The inventory and mapping of KHG fail to accommodate provision regarding inventory of community rights, including indigenous people’s rights in the peat ecosystems area as proposed by civil society..

Designation of protection and cultivation function

- Overlapping authority. In the Presidential Regulation on BRG, one of the tasks BRG must perform is designate protection and cultivation function for peat ecosystems in 7 provinces while in the revision PP (which is the higher law), the authority rests within the Ministry of Environment and Forestry. This creates confusion and potential for overlapping authority which could undermine peatland restoration agenda.

4) Government taking over the responsibility of corporations

- The revision contains a provision that the government will take over the responsibility of conducting restoration in concession areas that are burned if the responsible private entities (corporations) are not conducting restoration after 30 days on the expenses of the responsible entities. However, the amount of money can be negotiated and this opens a door for corruption and compromise. This also raises a question whether this provision precludes the giving of sanction for corporations that fail to restore its burned concession after they give an amount of money to the government, including suspension and revocation of environmental permit.

zzz. Progress of deliverables under the Lol partnership, including the legal audit of licenses, identification of degraded land, legal action against forest crimes and land tenure conflicts, and progress of the Badan Restorasi Gambut

Progress of BRG

- In the International Peat Symposium, BRG Head, Nazir Foead announced that in 2017, BRG will move from the preparation phase to **full implementation phase** and transform actions from pilot scale to bigger scale at the national level. The transformation will also include shifting from traditional donor and government funding to more innovative forms of funding, which were not clearly elaborated.
- In the symposium, BRG Head officially handed in letters of assignment to forestry and plantation business with peatland in their concessions to start conducting peatland restoration and protection under BRG coordination/direction. Approximately **489.000 hectares** of peatland with peat domes will be protected by the private sector while restoration of hydrological condition and revegetation will be conducted on peatland with the size of **910.000 hectares**. However, the mechanism to monitor peatland restoration and protection located in private concessions is still not clear. In Jambi, the monitoring and evaluation process is delegated to the regional government but there is no information about other provinces. It is crucial because the bulk of peatland to be restored is located inside private concessions (1.47 million hectares) as opposed to restoration that will solely be handled by the government (only 1 million hectares). BRG has installed a real-time monitoring system but currently only covers 15% of the KHG and the system must still be installed in the 7 priority provinces.
- BRG also asked the regional government in the priority provinces to: 1) conduct an inventory of location permits and plantation business permits (IUP) on Area for Other Purposes (APL), which become objects of peatland restoration, 2) develop peatland restoration plan in accordance with draft Protection and Management of Peat Ecosystem Plan (RPPEG) and, 3) develop rural areas inside peatland restoration area.
- In the symposium, many representatives of donor countries, including Norway, applauded the Government of Indonesia for issuing the new peatland regulation (PP 57/2016). Hilde Solbakken from the Norwegian embassy stated that Indonesia has demonstrated a strong government effort evident in substational reduction of fire hotspots and that Norway has given an additional grant of US\$ 25 million to assist BRG. From July to September 2016, in the 3 monthly progress report of BRG, it is stated that Norwegian money has been used to conduct mapping of Peat Hydrology Unit (KHG) in four priority districts (Kepulauan Meranti, Musi Banyu Asin, Ogan Kemiring Ilir, and Pulang Pisau) with the size of 606,000 hectares.
- Oyvind from the Norwegian embassy said that there are key points for the success of peatland restoration, namely public confidence (high level of consultation) and policy framework = restoration is expensive and there is currently no market for that = it is up to the government to create the market. He also said that the government must create **an investment environment and forceful market signal**, including considering carbon tax and carbon market. He also said that donors cannot fund Indonesia's transformation, only provide the rising capital. Donors can contribute in **interim carbon market organized in semi-controlled environment**. Norway's focus is on results-based payment, and it means **verified emissions reduction (VER)**
- The Minister of Development Planning (Bappenas), Bambang Brodjonegoro, stated that the government of Indonesia has adopted five strategies to reduce fire, namely: 1) incentive-disincentive, 2) village empowerment, 3) law enforcement, 4) license disciplining, and 5) early fire response. The government is currently developing the Presidential Work Plan (RKP) for 2018 and fire control will be one of the priorities.

- Funding. Nazir Foead said that in 2015-2018, there is an international commitment of 120 million dollars to assist BRG. Meanwhile, the state budget portion in 2016-2017 is still very limited and is expected to be scaled up in 2018.
- Regional Government's commitment.
 - **Riau.** Governor of Riau, Arsyah Djuliandi Rahman reiterated his support for peatland restoration. Around 56% of Riau mainland is peatland. Governor of Riau also stated that there will be no more licenses issued on peatland.
 - **West Kalimantan.** Vice Governor of West Kalimantan, Christiandi Sanjaya also stated that West Kalimantan government will not issue any more licenses on peatland and will review existing licenses. Around 64,077 hectares of peatland that has been burdened with license in West Kalimantan is included in BRG's priority areas.
 - **South Sumatera.** Government of South Sumatera. In 2015, Sumsel is the 'champion' of land and forest fire. Fire occurred in a land with the size of 736,536 hectares in which 144,410 hectares were peatland. South Sumatera participates in the Green Growth SSSG and Green Growth Plan with Norway, IDH, and ICRAFT. In 2017, Riau will focus on mapping of KGH and rewetting in cooperation with WRI and Norway. In February 14, there will be a Bonn Challenge Ministerial Meeting (restoration pledges with the target of 150 million hectares) in which South Sumatera will pledge a restoration of 400,000 hectares.
 - **Central Kalimantan.** In Central Kalimantan, 70% of areal that was burnt was located on peatland area. In 2017, Central Kalimantan government will develop RPPEG and will issue a Governor Regulation as a legal basis. It seems that the regional governments are speeding up the process of function zonation and development of RPPEG to speed up peatland restoration although in PP 71/2014, it is stated that there will be a ministerial regulation (Permen) regarding RPPEG. Watching the process is important because in the document, everything related to protection and management of peatland will be put and will serve as a guidance of what can and cannot be done on peatland area. According to KHG mapping in Central Kalimantan, **indicatively** there are **4.8 million hectares** of peatland in Central Kalimantan in which **3.1 million hectares** and only **1.6 million hectares** is classified as protected peatland.

Administrasi (Kabupaten/ Kecamatan)	Luas (Ha) Kesatuan Hidrologis Gambut (KHG)		
	Ekosistem Gambut Berfungsi Baiknya	Indikator Ekosistem Gambut Berfungsi Tidak Baik	Grand Total
Berita Selatan	233.394,3	141.073,5	374.467,8
Berita Timur	87.433,8	40.911,2	128.345,0
Gunungmas	1.173,0	22,3	1.195,3
Kepuas	535.631,6	271.645,0	807.276,5
Kotiring	649.707,9	492.367,2	1.142.075,0
Kota Palangkaraya	133.910,7	21.764,9	155.675,6
Kotawaringin Barat	280.348,2	155.660,6	436.008,8
Kotawaringin Timur	364.944,2	137.653,7	502.597,9
Lamandau	133,3	-	133,3
Pulangpiah	294.843,0	224.479,4	519.322,3
Seruyan	435.017,1	146.344,2	581.361,3
Sukamara	144.067,7	38.176,2	182.243,9
Grand Total	3.160.604,6	1.670.097,9	4.830.702,4

- **South Kalimantan.** The government of South Kalimantan promised that there will be no new licenses on peatland. Around 200,000 hectares of peatland are inside forest area and 200,000 are outside forest area. The latter has all been burdened with licenses. The province has also put in the regional budget the development of RPPEG.

- **Jambi.** Jambi has a free-haze vision by 2020. All peatland in Jambi has been cleared and opened. There are 900,000 hectares of peatland, 130,000 hectares of which was burnt in 2015. Around 500,000 hectares of the peatland is located in APL, which means it has been burdened with licenses. Jambi has already a regional regulation on fire control and has announced that it will resort to criminal punishment for everyone that burns peat.

Source: Presentation of Head of Environment Agency of Central Kalimantan

Monitoring and Evaluation of Peatland Restoration by KLHK

- At the end of November 2016, KLHK conducted a series of inspection to several Industrial Timber Plantation (HTI) and palm oil concessions in South Sumatera as a part of monitoring and evaluation of peatland restoration program and monitoring of forest areas that have been released for plantations.
- Inspection to PT Dinamika Graha Sarana (DGS) that holds a concession license of sugarcane revealed that it has illegally transferred a part of its concessions to PT SUJ (palm oil company). The inspection found that PT Samora Usaha Jaya or SUJ,, which peatland was burnt in 2015 has opened new canals and cleared its peatland to plant palm oil with the size of 4500 hectares. This is in violation of the regulation that burnt area cannot be planted and that it is forbidden to build new canals on peatland area because burnt peatland areas will be taken under supervision by the government to be restored.
- The violations will be processed according to the prevailing laws and regulations.

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related to drivers of deforestation, such as the palm oil sector

General developments of sectors

ISPO Revision

- The development of Presidential Regulation on Sustainable Palm Oil or ISPO is still ongoing. CSOs inputs (including FWI, Madani, WWF, LEI, JPIK) regarding principles and criteria, governance structure, independent monitoring, and conflict resolution have been put on the table and debated but there are still many contentious issues that will continue to be discussed until the end of this year, including:
 - Independent Monitoring Groups. The existence of independent monitoring groups as an integrated part of the ISPO system is stressed by civil society, mirroring the SVLK system, which legally guarantees the work of independent monitoring groups. But there has also been push back from some parties that do not want IMG regulated in detail in the Presidential Regulation.
 - Criteria on peatland management. The criteria on peatland management in palm oil concession has not taken into consideration provisions in PP Gambut. PP 71 and PP 57 have not been referred to in the principles and criteria. There is still a debate regarding the water surface level allowed whether 0.4 meter as regulated in PP Gambut or 0.6-0.8 meter as regulated in Permentan (Minister of Agriculture Regulation). But all in all, ISPO still allows palm oil cultivation that has been planted on peatland, so the “no peat policy” has not been able to penetrate this system.
 - ISPO Commission. There is still some pulling between ministries, most notably between the Coordinating Ministry of the Economy and Ministry of Agriculture regarding who should lead and

steer the ISPO Commission and who should sign the ISPO certificates. The Ministry of Agriculture insists that it must be one of the parties that sign the certificates.

- Inclusion of provisions regarding palm oil plantations inside forest area. The Ministry of Agriculture does not want prohibition of palm oil plantations in forest area to be put in the Presidential Regulation. It also wants the 1.6 million hectares of palm oil plantations currently inside of forest area to be released from forest area immediately and be made legal.
