

UPDATE AND WORKPLAN

INDEPENDENT FOREST MONITORING

JOINT EXPERT MEETING IND-EU

Jakarta, 17 Dec 2020



Independent Forest Monitoring Fund

Summary of Work (IFM) Nov, 2019 – Dec, 2020

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- Monitoring/investigation in 14 Provinces
 - Publishing the report of monitoring/investigation (press conference)
 - Publishing The Monitor 2020
 - Conduct the discussion about 'virtual monitoring'
 - Complaint Report
 - 26 complaint report to CABs, DG Gakkum, BPPHLHK, KSP, Kemenko Marives, Bareskrim POLRI.
 - 20 Report already done, 6 report still follow up
 - Data and Information Request
 - 15 request letter to DG PHPL, PSKL, PPID, Official Forestry
 - 8 request already done and 7 request still follow up
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- The Progress:
 - 1 Certificate has been revoked (Eksportir non produsen)
 - 5 illegal logging cases already follow up by Gakkum and police
 - The next activity:
 - Analysis result of SVLK audit
 - Publishing the report of monitoring/investigation in 4 location
 - Publishing The Monitor 2021
 - JPIK annual meeting
 - Funding opportunity
 - IFM Fund
 - Ford Foundation
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IFM Fund's small grant mechanism is improved

- Support and facilitate independent forest monitors on consolidation/coordination meeting, training, monitoring activities and media promotion (FAO EU FLEGT & MFP)
- Until now, there was 24 small grants that have been distributed to IFMs at the local (FAO EU FLEGT & MFP)
- IFM Fund using the SoP Grant Making as a guideline (proposal form, reporting, panel proposal, etc)

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Short-term financing strategies

Improving the capacity of IFM-Fund to raise and managing funds:

- The LOA of FAO-EU FLEGT project phase II has signed at 17 June 2020
- The LOA of Palladium – MFP 4 has signed at 13 Nov 2020 to develop of SVLK implementation monitoring scheme at jurisdictional level (KPHP) by independent monitoring organization (IFM)
- Identification potential donors and program collaboration in monitoring

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Strengthening IFM Fund Institution

- Capacity building for IFM Fund Staff
- External audit for project and IFM Fund Institution
- Develop and implementing the Resources Mobilization Strategy of IFM Fund
- Conduct portfolio review of IFM Fund

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IFMs fully engaged on SVLK implementation and has capacity to carry out monitoring

- Participate in serial policy dialogues: JEM IND-EU, Public consultation on revision Minister Regulation on SVLK and others relevant workshop
- Conduct workshop on Strengthening the Role of Independent Monitors in the Implementation of SVLK and FLEGT-VPA

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Medium/Long-term financing strategies

- Communication with BPDH and MoEF to develop the sustainable financing for IFMs
- Communication with *LVLK forum* related the V-Legal fee as potential financing for IFM with clear mechanism in legal document
- Contribute and giving inputs on a brief note Sustainable Financing by FAO EU FLEGT and Study Trust Fund by MFP4



**Support and Facilities
Independent Forest Monitors**

IFM Fund

Medium- and Long-Term Financing of Independent Forest Monitoring via IFM Fund

(sinking fund with a reserve of up to 3 years of annual cost estimate)

Estimate Annual Cost to support IFM

Type of cost	%	Minimum annual cost USD
Monitoring missions	50	*700,000
Training of investigators/monitors	30	420,000
Administration and outreach	20	180,000
Total	100	1,400,000

*: based on the monitoring of a minimum of 5% of the total operational business units a year, across 17 key provinces and 3 field investigations per unit.

Possible Funding Sources

1. Percentage (12.5 %) of V-Legal/FLEGT licensing fees collected (2019: 3,086,664 USD) and credited to IFMF account once or twice/year (estimate of **385,000 USD/year**)
2. MoEF contribution through Annual State Budget Allocation (*Anggaran Pendapatan dan Belanja Negara - APBN*), as per SVLK regulation referring to assurance of funding from State or Regional budgets (only for **capacity building** to ensure IFM independence).
3. Existing or new Trust Funds
 - Environmental Fund Management Agency (*Badan Pengelola Dana Lingkungan Hidup – BPDLH*)
 - A dedicated IFM Trust Fund (based on MFP-4 Study)
4. Donations and public fundraising
<https://dukungpantauhutan.forestfund.or.id>

Possible JIC action points

1. MoEF could support to issue circular for payment of % of Licensing Fees from CABs
2. MoEF could contribution to IFMs capacity building cost in next budget plan submitted to APBN
3. EUD and MoEF could help to mobilize support for IFM Fund grant application to BPDLH (MFP4, EFI and FAO to help provide evidence of the contribution of IFM to BPDLH objectives)

Thank You



Independent Forest Monitoring Fund