

Information on the Progress of Activities by IFM Fund, Supported by the FAO-EU FLEGT

(from 27 August 2018 to Oct 2019)
with an update on IFMF's Grantees

Independent Forest Monitoring (IFM) is an integral part of the SVLK (Sistem Verifikasi Legalitas Kayu), the Indonesia's Timber Legality Assurance System (TLAS). This entity consists of NGOs with legal status and communities living in proximity to the forests who monitor operators' compliance to the requirements of the legality definition. This includes conformity of the accreditation, verification, periodic evaluation, and licensing processes. The IFM function also covers the monitoring of the conformity of the accreditation of SVLK Certification Bodies (CB), the verification by CBs, the periodic evaluation of the SVLK, and the FLEGT licensing.

The role of IFM in SVLK implementation is recognized in the Ministry of Environmental and Forestry (MoEF) Regulation No.30/2016, wherein it acknowledges the rights of Independent Forest Monitors to access information and locations relevant to monitoring; guarantees the protection of Independent Forest Monitors against threats prior, during, and after monitoring; and indicates the eligibility of IFMs for sustainable financing from public and private sources. Funding for IFM is regulated by Article 27 of the MoEF Regulation which states that funding for independent monitoring activities can be obtained from state and regional budgets, or from other legitimate and non-binding sources.

Since the implementation of the regulation, independent forest monitors have been actively involved in improving the governance of Indonesia's forestry sector as a form of contribution from civil society. The independent forest monitors have also been benefitting from immense public support to effectively implement the SVLK in Indonesia. The capacity of independent forest monitors to conduct IFM is key to providing constructive feedback to SVLK implementation. Independent Forest Monitoring activities need to be extended across a larger number of license holders (forest management units) that still needs to be monitored in Indonesia; there is therefore a urgent need to increase the capacity and frequency of IFM in Indonesia.

Further, both the activities and results of IFM needs to be consolidated and synergized in order to optimize ability to inform and improve forest governance and SVLK implementation. In this regards, the sustainability of independent forest monitors becomes imperative in maintaining the credibility of SVLK in Indonesia. This notion was strengthened after the launch of Indonesia's FLEGT Licensing - a scheme for verified legal timber products to be exported to the EU in November 2016. When assessing the implementation of the scheme, it was realized that a competent and comprehensive networks of independent forest monitors are essential to act as eyes and ears of the forest to spot and report on forest illegalities. Without such robust monitoring efforts, there will be increased pressure on forests and its communities; failure to identify and report on such illegalities would also damage the credibility of the SVLK/FLEGT system.

To respond to those needs, independent forest monitors conducted a series of discussions with stakeholders such as donors, researchers, and the MoEF on how their operations could be strengthened and sustained in order to deliver affective IFM as required under the SVLK regulation and EU-Indonesia FLEGT VPA. In August 2016 at a meeting involving IFM organizations and donor agencies , it was agreed that a foundation acting as a fund management institution for IFM activities in Indonesia be set up. This decision was reaffirmed during the VPA Joint Expert Meeting (JEM) on 2 March 2017, where "the importance of establishing a sustainable funding model" (Agreement 1.5) in support of independent forest monitoring was stressed.

Due to limited funds, it is anticipated that independent forest monitors will face significant challenges to sustain their work during the initial 2 years of the IFM Fund set up (see Figure 1 below). During the first six months since its setup, IFM Fund received funding support from the United Kingdom via the DFID-funded Multi-stakeholder Forestry Programme Phase 3 (MFP3). During this initial stage, the IFM Fund successfully acquired all legal documentation as required by law in order to operate as a non-profit organization or Foundation (Yayasan). The IFM Fund has also developed internal governance systems and policies - such as Standard Operating Procedures (SOPs), set up a functional office, and recruited talented staff. All these were part of IFM Fund's 2 year 'formation

phase' which comprises of [1] the establishment and operation of the trust fund institution that serves as a backer of SVLK monitoring and governance improvement by independent forest monitors; [2] the resource for independent forest monitoring activities; [3] the testing of grant distribution system; and [4] the preparation of facility and support for programme and strategic planning of independent forest monitors as the important actors in SVLK implementation.

It's been 3 quarter since the project sign with FAO regarding "***Strengthening forest governance through independent forest monitoring (IFM) towards the effective implementation of SLVK and FLEGT initiative in Indonesia***". This project title has similar foundation with IFM Fund mission, so basiccaly with this project IFM Fund would run as itself. Since then, there a lot that IFM Fund undertake to fullfill the project as below.

A. Meeting and Workshop

- a. **[Meetings]** Attended Pre-Joint Expert Meeting Indonesia -EU and presented "Update and Workplan of Independent Forest Monitoring" together with JPIK on 25 October 2018
Purpose: to give update the progress work of IFM (JPIK and IFM-Fund) under the FLEGT action plan
- b. **[Meetings]** Attended Joint Expert Meeting Indonesia - EU and presented "Update and Workplan of Independent Forest Monitoring" on 05 November 2018
Purpose: to give update the progress work of IFM (JPIK and IFM-Fund) under the FLEGT action plan
- c. **[Meetings]** Meeting on Progress of SVLK Implementation with EFI (European Forest Institute) on 05 October 2018
Purpose: sharing and discussion about the SVLK implementation and the planning of IFM activities
- d. **[Workshop]** Inception Meeting (Kick off Meeting) on Strengthening Forest Governance through Independent Forest Monitoring Towards the Effective Implementation of SLVK and FLEGT Initiative in Indonesia Project on 17 October 2018
Purpose:
 - o To increase knowledge and understanding related the project "Strengthening forest governance through independent forest monitoring (IFM) towards the effective implementation of SLVK and FLEGT initiative in Indonesia".
 - o To identify the challenges and opportunities of independent forest monitors to monitor the implementation of SVLK and FLEGT in Indonesia.
 - o To get inputs from stakeholder regarding implementation of project's strategy.
 Link:
https://www.forestfund.or.id/en/news/read/project_launching_FAO-EU_FLEGT_17Oktober2018
- e. **[Workshop]** Strategic Planning Workshop of independen monitors in strengthening forest governance through effective monitoring with JPIK on 21-22 November 2018 at AONE Hotel Jakarta
Purpose: to discuss the current issue on forest governance as an effort to strengthen effective independent monitoring and develop a strategic plan to monitor the implementation of SVLK and FLEGT-VPA in Indonesia.
Link:
https://www.forestfund.or.id/en/news/read/consolidation_workshop_independent_monitoring_21-22November2018
- f. **[Meetings]** Attending as participant on Public Consultation Program MFP-4 (27 November 2018)
Purpose: to share and take inputs from stakeholder related MFP-4
- g. **[Meetings]** Attending as resource person at National Seminar "*Implementasi Dua Tahun Lisensi FLEGT dan Efektivitas Penegakan Hukum*" by JPIK on 13 December 2018
Purpose: information exchange regarding the implementation progress of the FLEGT License that has been running for two years, especially evaluation and monitoring, and discuss important issues related to the implementation of the Timber Legality Verification System (TLAS/SVLK), as well as the effectiveness of law enforcement.

- h. **[Meetings]** Attending as participant on meeting with UNODC (United Nation Office Drug and Crime) on 28 February 2019)
Purpose: To share Container Control Programme (CCP) and Norway-supported Law Enforcement Assistance Programme (LEAP) in Indonesia.
- i. **[Meetings]** Attending as resources person at Pre-Joint Expert Meeting FLEGT-VPA (27 March 2019)
Purpose: presentation on “The Progress of IFM and IFM Fund”
- j. **[Meetings]** A series of meeting about Resource Mobilization with Herryadi and JPIK (Muhammad Kosar and Dhio Ferdian) on January - July 2009
Purpose: drafting Resource Mobilization Document for Independent Forest Monitoring
- k. **[Meetings]** Attending (as resources person) Pre-Joint Expert Meeting FLEGT-VPA (29 March 2019) at Ruang Rimbawan I Gd. Manggala Wanabakti, MoEF
Purpose: to give update the progress work of IFM (JPIK and IFM-Fund) under the FLEGT action plan
- l. **[Meetings]** Attending CIFOR meeting on FLEGT-VPA (29 April 2019) at CIFOR
Purpose: gather information regarding FLGT-VPA progress
- m. **[Meetings]** Attending Kick Off Meeting Periodic Evaluation (PE) on FLEGT-VPA (19 May 2019) by Profundo at Gd. Manggala Wanabakti, MoEF
Purpose: public announcement and gather input a Periodic Evaluation on FLEGT-VPA
- n. **[Meetings]** Discussion and consultation with MFP phase 4 about Resource Mobilization Strategy of IFM (20 May 2019) at Gd. Manggala Wanabakti, MoEF
Purpose: to discuss the resources mobilization strategy and identification several activities plan that will follow up by IFM Fund and MFP-4
- o. **[Meetings]** Discussion with China NFGA (National Forestry and Grassland Administration) Delegation at Kaoem Telapak (26 June 2019)
Purpose: comparative study of the implementation of the Timber Legality Assurance System in Indonesia
- p. **[Meetings]** Attending JPIK’s Inception Meeting and Training in Jogjakarta (16 July 2019)
Title: Strengthening Independent Forest Monitoring related with Monitoring of Timber Legality Verification System (TLAS/SVLK) implementation in Sumatera, Kalimantan, and Java region - Indonesia
Purpose [training]: to strengthening the capacity indigenous/local communities on monitoring permit holders both in the forest and also in the wood processing industry.
- q. **[FGD]** Focus Group Discussion on Resource Mobilisation Strategy with IFM and key stakeholder (19 July 2019)
Purpose: getting inputs from IFM and donor on Resource Mobilization Strategy
- r. **[Meetings]** Discussion and consultation with KEHATI about Resource Mobilization Strategy and Trust Fund Initiative (23 July 2019)
Purpose: learning about institution management, financial management, resource mobilisation, and trust fund

B. Publication

1. **[Strategic Planning]** A Joint Monitoring Plan and Development of an Independent Monitoring Strategic Work Plan
Link:
https://www.forestfund.or.id/download/renstra_pi_2122nov2018.pdf
2. **[Proceedings]** Konsolidasi Nasional Pemantau Independen dalam Memperkuat Pelaksanaan Tata Kelola Hutan melalui Pemantauan yang Efektif
Link:
https://www.forestfund.or.id/download/FAOEUFLEGT_IFM-Fund_Prosiding_Workshop_Konsolidasi_Nasional.PI.pdf

3. **[Position Paper]** 2 Tahun Pelaksanaan Lisensi FLEGT - Kredibilitas dan Akuntabilitas Sistem Verifikasi Legalitas Kayu (SVLK) Harus Ditingkatkan
Link:
https://www.forestfund.or.id/download/Kertas-Posisi_2_Tahun_Lisensi_FLEGT_Desember_2018.pdf
4. **[Proceedings]** Training Proceedings on “Pemantauan Perdagangan Kayu dan Akses Data Informasi” by JPIK Jatim
Link:
https://www.forestfund.or.id/download/Prosiding_Pelatihan_Jatim_2122Maret_2019.pdf
5. **[Resource Mobilization Document]** “Tata Kelola Hutan, Pemantauan dan Mobilisasi Sumberdaya”
Link:
https://www.forestfund.or.id/uploads/Resource_Mobilization_IFMF_10072019_FINAL.pdf
6. **[Summary of Resource Mobilization Document]** “Forest Governance, Independent Monitoring and Resource Mobilization”
Link:
 - https://www.forestfund.or.id/uploads/Resource_Mobilization_Summary_Eng.pdf
 - https://www.forestfund.or.id/uploads/Resource_Mobilization_Summary_IND.pdf

C. Partner Activity (Small Grants)

1. Jaringan Pemantau Independen Kehutanan (JPIK)
[Workshop] Konsolidasi Nasional Pemantau Independen dalam Memperkuat Pelaksanaan Tata Kelola Hutan melalui Pemantauan yang Efektif (21-22 November 2018)
Link:
https://www.forestfund.or.id/en/news/read/consolidation_workshop_independent_monitoring_21-22November2018
2. GRID (Global Geography)
[Investigation] “Pemantauan Penebangan Liar (Illegal Logging) dan Konversi Hutan secara Illegal” in Kalimantan (21 February 2019 - 03 May 2019)
GRID (*Global Geography*) conduct several activities based on IFM Fund support such as consolidation and collecting fact and information on the field.
 - **Consolidation of Forestry and Social Activists Organizations in Sintang District and Surroundings Area**
Purpose: to discuss and gather information from other organizations
Note:
 - o the consolidation succeeded in uniting environmental activists in the Sintang region and agreed to conduct monitoring on the issue of forest conversion and illegal logging in state forest areas (*Hutan Lindung*)
 - o 2 companies overlapped in state forest areas in Melawi Regency and in the border areas of Sintang and Kapuas Hulu Regencies
 - **Illegal Logging Monitoring in Protected Forests and/or Forest Areas**
Purpose: to explore data and facts about logging and logging activities in state forest areas
[Output] Illegal logging is carried out on important wood species such as meranti (*Shorea* spp), belian and keladan
 - **Illegal Conversion of Forests Area by Oil Palm Plantations**
Purpose: investigate the seizure of forest areas by oil palm plantations
[output] Protected Forests (*Hutan Lindung*) have turned into oil palm plantations with well-maintained transportation routes

3. PPLH Mangkubumi (Focal Point JPIK East Java)

a. [Training] “Pemantauan Perdagangan Kayu dan Akses Data Informasi” in Surabaya (21-22 March 2019)

- o This training aims to strengthen the capacity of IFM to monitor activities on timber logging areas (upstream) and also activities around the industries/mills, timber depo and port (downstream) in the context of SVLK implementation in Indonesia. The total participant of training were 18 persons from East Java, Papua, West Papua, Maluku and North Maluku province.
- o Participants understood related administering forest products and supply chains in implementation of SVLK
- o Participants understood to access and obtain data and information through the information disclosure law (UU KIP) mechanism
- o Participants understood the critical points on assessment C&I of Timber Legality Certification (S-LK) and Certification of Lestasion Production Forest Management (S-PHPL)
- o Participants have capacity to prepare a monitoring plan, carry out monitoring, and prepare reports on the results of monitoring/investigation, delivery complaints report to relevant parties as an effort to improve forest governance in Indonesia

Follow up

1. Participants from East Java will monitor companies suspected of receiving illegal timber from Papua, West Papua and Maluku and will monitor the progress of legal handling for 422 containers of illegal timber by Gakkum in Surabaya and Gresik
2. Participants from Papua and West Papua will monitor the forest concession that suspected of frequently of illegal logging. In addition to monitoring the companies suspected that involved with Surabaya cases.
3. Participants from Maluku and North Maluku will monitor companies that suspected of frequently to sent illegal timber to Surabaya. In February 2019, the Gakkum KLHK has seized the illegal timber from Dobo, Aru Islands
4. Participants from Papua, Maluku and East Java regions will prepare a proposal submitted to the IFM Fund two (2) weeks after this training.
5. The organization of participants will sent the letter to access information to LVLK, KLHK and related parties.

Link:

https://www.forestfund.or.id/download/Prosiding_Pelatihan_Jatim_2122Maret2019.pdf
https://www.forestfund.or.id/en/news/read/monitoring_timber_trade_information_data_access_2122march2019

b. [Investigation] *Mengungkap Sisi Gelap Bisnis Kayu Illegal di Jawa Timur* (01 February 2019 - 01 March 2019)

PPLH Mangkubumi/JPIK Focal Point East Java has conducted monitoring focused on 7 forestry industries that carried out exported of merbau timber, 3 industry processing, 1 location timber loading at the port in Gresik.

Based on the findings of monitoring, the PPLH Mangkubumi have sent complaint letter and confirmation to five (5) Certification Bodies, Gakkum and PPID of MoEF. So far the response received : five (5) LVLK (certification bodies) have responded and provided data on the information requested ; two (2) LVLK are still waiting for clarification from the industry. While there are two (2) requests for information and clarification to the Gakkum Jabalnur (Java Bali and Nusa Tenggara) Region and PPID, until now yet got any response or clarification.

The other findings :

- o PPLH Mangkubumi received information regarding indications of involvement of Customs and Certification Bodies in conducting a mall practice to pass these logs for export
- o Indications of a mismatch of location permits at PT Kayan Jaya Tanjung spread over 5 locations. One factory to store processed wood and one factory as a roundwood storage, which is not recorded in the location of the business permit of PT Kayan Jaya Tanjung.

4. LBH - Lampung (Focal Point JPIK Lampung)

[Investigation] *Monitoring dan Investigasi Lapangan terhadap Kejahatan Illegal Logging di Kawasan Hutan Konversi & Hutan Lindung serta Pemantauan Izin Usaha Hasil Hutan Kayu - Hutan Tanaman (IUPHHK-HT) di Register 42 dan 44 Provinsi Lampung*

- The location of monitoring in Tahura (Taman Hutan Raya) of Wan Abdul Rahman (WAR) Register 19 Gunung Betung; and production forest Register 44 Muara Dua, Way Tulang Bawang Barat & Way Kanan District.
- Team monitoring still found the illegal logging activities in the Tahura of Wan Abdul Rahman.
- At February 28, 2019 the police from KPHK Tahura WAR arrested two (2) people who involved on illegal logging of sonokeling timber and still looking the main actor in this case.
- Several locations around Tahura WAR were indicated still rampant illegal logging activities including Umbul Sukaharum, Umbul Solo, Batu Lapis Umbul and Limbungan Umbul.

5. KPA Bokimaruru

[Investigation] *Investigasi Modus-modus Illegal Logging di Maluku Utara*

KPA Bokimaruru was conducted illegal logging investigation on central Halmahera (North Maluku). This investigation was also backed-up by FWI (Forest Watch Indonesia) through its experience on technical use of GIS; investigation and small island's campaign.

- The identification of the mode of the company that carries out logging activities by utilizing Tonidora Farmer Groups to gather timber utilization permits (IPK).
- Successfully collect evidence in the form of logging documentation outside the IPK area and has entered the forest area; ecosystem destruction in the form of a river flow (DAS/Water Catchment Area); and unilateral logging of community nutmeg trees.
- The documents belonging to the Tonidora Farmers Group that we succeeded in capturing, there were a number of irregularities (administrative malls) in the form of engineering (fake) signatures on the village consultation process to recommendations for permits.
- KPA Bokimoruru have put this violation and irregularity into the North Maluku Provincial Forestry Forestry Office's prosecution department in Sofifi.
- The full reports on the results of monitoring activities can be seen at: https://www.forestfund.or.id/download/Laporan_Pemantauan_Pemantauan%20Illog_Halteng_Final.pdf

6. Genesis Bengkulu

[Investigation] *Monitoring dan Investigasi IUPKKH-HA PT Anugerah Pratama Inspirasi (Pt API) Provinsi Bengkulu*

Purpose: monitoring and evaluation of PT Anugerah Pratama Inspirasi in Bengkulu Province

- PT API still continue to carry out activities, though the SVLK permit has been revoked (SK Number: 21/A-SERT-VLK/IV/2014 concerning revocation of the SVLK)
- "Outsider" oil palm area (1,132 ha) is found on PT API area, PT API doesn't have the permit to conduct this.
- PT API didn't implementing forest protection and securing it's area, there's shrubs land (8,467 Ha) and open area (1,132 Ha)
- PT API sells wood to unlicensed industri company
- PT API conducting Sawn Wood Processing in IUPHHK Concessions

7. Papua Forest Watch

[Investigation] *Investigasi dan Monitoring PT Bagus Jaya Abadi*

Purpose: to reveal PT Bagus Jaya Abadi that suspected of doing illegal business by accepting wood from Tanjung Seget, Salawati Island and Batanta Island and cooperating with local timber barons

- PT Bagus Jaya Abadi has purchased, processed and traded "kayu olahan" outside its business license
- Illegal logging actors are law enforcement officers including the police and Navy Marines, as well as migrants who have capital
- PT Bagus Jaya Abadi has purchased, processed and trafficked illegal timber sourced from Salawati Island and Tanjung Seget.

8. **Perkumpulan Panah Papua**
 [Investigation] Monitoring dan investigasi lapangan terhadap IUPHHK-HA PT Papua Satya Kencana (PT PSK) di Wilayah Adat Marga Ogoney Suku Moskona, Kabupaten Teluk Bintuni
 Purpose: monitoring and field investigation with the Himpunan Pemuda Moskona of PT PSK (PT Papua Satya Kencana) to gather evidence that this company has violated the rights of indigenous peoples, also the laws and regulations
 Output:
 - The operationalization of PT Papua Satya Kencana in the RKT 2019 area without going through the Process of Free, Prior and Informed Consent (PADIATAPA) to Land and Forest Owners, namely the MHA Marga Ogoney Community
 - PT Papua Satya Kencana became the supplier of round wood raw material to PT Bumi Meyado Iriando and was not recorded in the 2018 RKT realization report.
 - The company does logging outside the 2019 RKT

9. **Deling Kuning (Gresik - West Java) - Ongoing Activity**
 [Training] Loklatih Pemantau Independen Kehutanan Bagi Komunitas Perempuan Di Jawa Timur
 - Purpose: provide knowledge and information, also increase the ability for female independent monitors who lives around the industry/wood transit/port (downstream) in monitoring timber trade, so the SVLK implementation in East Java Province can run effectively and with strong integrity.
 - Expecting result: the awareness of women's groups in monitoring the implementation of SVLK and the availability of female monitors who have an independent monitoring capacity in monitoring SVLK implementation and can make reporting, as well as filing complaints and reporting to relevant agencies as an effort to improve forestry governance in Indonesia.

10. **Absolute Halimun (Cipeteuy - West Java) - Ongoing Activity**
 [Training] Pelatihan Pemantauan Pelaksanaan DKP (Deklarasi Kesesuaian Pemasok) untuk Mendukung Kredibilitas dan Akuntabilitas SVLK
 Activity:
 - Internal consolidation to build mutual understanding and coordination of technical preparation for monitoring training
 - Conduct training on DKP implementation and monitoring
 - Compilation of reports on the results of training activities

11. **GreS Institue (Garut - West Java) - Ongoing Activity**
 [Investigation] Monitoring dan Investigasi Pemungutan kayu secara ilegal (Illegal Logging) dan konversi hutan secara ilegal di Kabupaten Garut, Propinsi Jawa Barat
 Activity:
 - Tracking of illegal logging activities and illegal timber trade
 - Tracking for forest area utilization activities other than for forestry purposes

12. **Hanjuang Mahardika Nusantara (Rangkas Bitung - Banten) - Ongoing Activity**
 [Investigation] Pemantauan Praktek Pencucian Kayu Ilegal dari luar Pulau di Sentra Kayu Karangantu dan Indikasi Jual Beli atas Nama SVLK serta update Perkembangan Implementasi SVLK di Wilayah Banten
 Activity:
 - Monitoring the wood industry (management unit) in Karangantu District of Serang which is indicated to have committed violations in timber administration.
 - Exploring information by conducting an investigation to find out the flow and modus operandi of illegal timber practices in Karangantu, Serang Regency
 - Gather information by conducting field investigations related to the timber distribution chain and timber trade from Karangantu wood centers to supply companies or direct product user companies that are supplied from Karangantu
 - Submit a complaint report to the Timber Legality Certification Agency (LVLK) for findings during monitoring and/or report the results of monitoring to the Banten Provincial Forestry Service, PHPL Directorate of the Ministry of Environment and Forestry (KLHK) as input for system improvement in the utilization and administration of timber in Indonesia

13. Genesis Bengkulu - **Ongoing Activity**

[Advocacy] Publikasi Hasil Pemantauan PT. Anugerah Pratama Inspirasi (PT. API)

Purpose: publish and campaign the results of supervision of IUPHHK-HA (Business Permit for the Utilization of Timber Forest Products in Natural Forests), owned by PT. Anugerah Pratama Inspirasi (PT. API)

Output:

- 500 copies of the factsheet results of monitoring and analysis of the Business Permit for the Utilization of Timber Forest Products in Natural Forest (IUPHHK-HA) owned by PT. PT. Anugerah Pratama Inspirasi (PT. API)
- publish findings and analysis in local media.