



ANNUAL WORKPLAN | 2009/2010

Service Provider by:

Cooperation between:



Ministry of
Forestry

DFID Department for
International
Development



KEHATI
INDONESIAN
BIODIVERSITY
FOUNDATION

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CHAPTER I

BACK GROUND

Concluding the Memorandum of Understanding between the Governments of Indonesia and the United Kingdom signed in October 12th 2000, the Ministry of Forestry of the Republic of Indonesia and the Department for International Development (DfID) of the Government of the United Kingdom signed a Letter of Arrangement in October 11th 2008, committing an initial GBP 5 million for a period of three years (2008 – 2011) to a second phase of Forest Governance and Multistakeholder Forestry Programme (MFP).

The MFP II Programme is aimed at supporting forest governance reform, with a particular focus on the negotiation and implementation of an EC – Government of Indonesia Voluntary Partnership Agreement on Forest Law Enforcement, Governance and Trade (FLEGT-VPA). The program's objectives are to strengthen government and civil society partnerships at local and national levels to build capacity, empower community forest managers and develop and implement policy. In particular, the program will work to nurture and strengthen its network of Community Foundations in the regions, established with previous program support. Over the next three years, the program will also work with stakeholders to identify and implement necessary governance reforms for Reducing Emissions from Deforestation and Degradation (REDD) implementation.

Funded initially by DFID's Forest Governance and Trade Programme, which is focused on tackling illegal logging, it was hoped that other donors would join the programme and help fund other elements of the log frame. This has not yet happened and following an Inception Review, DFID and the Ministry of Forestry agreed, at the Steering Committee meeting of 22nd June 2009, that MFP2 should be revised and re-focused to strengthen the achievement of Output 1.

Before the June 2009 SC meeting, the MFP Programme Management Unit (PMU) had submitted the first Annual Work Plan (AWP) 2009-2010 on March 2009, taking into consideration the recommendation of the Independent Evaluator and DFID Jakarta Office. The first AWP 2009/2010 consists of strategies that covered the "pessimistic and optimistic" conditions due to the limited availability of funds from DFID UK. However, only activities related directly with the VPA process and TLAS implementation such as the socialization of TLAS could be financed through the KEHATI Foundation as the service provider. The first AWP 2009/2010 has thus never been officially endorsed by the SC and the only new activities undertaken in the past 6 months was the socialization of TLAS in 4 regions, completed in September 2009.

Under these circumstances, the PMU has submitted the second AWP as the new AWP 2009/2010 and seeks its endorsement at the upcoming SC meeting scheduled on October 2009. The new AWP will be based on the agreement on SC meeting June 2009; to re-focus the orientation on output 1 with particular emphasis on: (1) VPA negotiation process and socialization of TLAS implementation; (2) Strengthening the institutional capacity to deliver SVLK; (3) International recognition and mechanism to review and strengthen TLAS implementation; (4) Secure budget allocation to support the committed projects as planned on AWP 2008/2009 and AWP 2009/2010.

The process for the development of the new AWP 2009-2010 began with the consultative meeting between DFID, the PMU and the Director General of Production Forest Management (BPK) in July 12, 2009. The result of this consultation was a revised of logical framework with a set list of activities, estimated budget, target and milestone which has been discussed several times with the relevant stakeholder under the MoFr including the Center for Forestry Education and Training (Pusdiklat) and the Directorate General of BPK. The representative of DFID UK, Mr. Hugh Speechly also involved in developing the logframe with the PMU. The new logframe is expected to be endorsed by the SC Meeting on October 2009 as part of the new AWP 2009-2010.

CHAPTER II

THE COMPLETION OF THE EXISTING PROGRAM FROM AWP 2008-2009

Following the result of the Steering Committee meeting held on June 22, 2009, MFP has been completing the activities initiated in AWP 08-09 from the current log frame. During this transition period, committed projects have faced delay due to the cash flow limitations as well as the new orientation.

Nine major projects have to be completed with respect to strengthening Output 1 following amendments to the outputs and targets from the original log frame. One project will be done as planned (i.e. without modification). The indentified projects and changing are as shows on the table below:

Output	Grantees	Budget Commitment	Reshaping recommendations to strengthen Output 1
1	TELAPAK	GBP 53,074 (Jan 2010)	<ul style="list-style-type: none"> • In implementing SVLK, Civil Society Organizations (CSO's) is involved in monitoring SVLK implementation • The schedule of the project needs to be amended
2	KARSA - Jogjakarta	GBP 26,630 (Feb 2010)	<ul style="list-style-type: none"> • Structure and the public complaints mechanism as a component of TLAS monitoring, verification and dispute resolution bodies • KARSA is need to discuss with DKN related conflict resolution in CBFM including promoting CBFM to TLAS or SVLK • Amend the scope of work and schedule of the project
3	KOMDA SF Kendari –SE Sulawesi	GBP 21,571 (Jan2010)	<ul style="list-style-type: none"> • Preparation of forest sites for legal trade, delineation, registration, licensing, testing legality standards, COC • Civil society monitoring & evaluation, tracking and documenting licensing process application of TLAS or SVLK • Forest Management Unit model development should be focused on KPH resources centre in SE Sulawesi
3	Community Foundation in 4 regions	GBP 56,818 (Sep 2009)	<ul style="list-style-type: none"> • Preparing sites for legal trade, delineation, registration, licensing, testing legality standards, COC • Civil society monitoring & evaluation, tracking and documenting licensing process application of TLAS or SVLK • Amend the scope of work (for some CFs) and schedule of the project

Output	Grantees	Budget Commitment	Reshaping recommendations to strengthen Output 1
3	Burung Indonesia	GBP 9,624 (Jan 2010)	<ul style="list-style-type: none"> • No possible items or output to strengthen the output 1 • Continued as responsible exit strategy • Amend the schedule of the project
5	Community Foundations in 4 regions	GBR 26,180 (Sep 2009)	<ul style="list-style-type: none"> • Building local independent monitoring facilities, accredited auditors for CBFM • Decentralize SVLK institutional arrangement e.g. for verification of community timber • Amend the scope of work (for some CFs) and schedule of the project
6	BPKH 11 - Jogjakarta	GBP 18,006299 (Jan 2010)	<ul style="list-style-type: none"> • Link spatial data sets with legality verification system digitations of RKT (BPK, FRIS). • Link up with industry to comply with the core business requirements and functions • Create a registry system in local/community forest in line with the SVLK system and a data base of small business industries • Amend the scope of work and schedule of the project

2.1 Reshaping Outputs toward Output 1

The PMU has facilitated MFP's partners elaborate the target output and achievement in line with Output 1. The discussions and negotiations mainly concerned partners implementing Outputs 2, 3, 5 and 6 and is reported below:

Output 1:

- TELAPAK had agreed to reshape their proposal considered the re-orientation of the program direction. PMU have meeting with TELAPAK Association on April 8 and discussed their involvement in policy processes and establishing the Civil Society Organizations (CSO's) monitoring tools on implementation of SVLK.
- The Community Foundation: SSS-PUNDI-Sumatera and SCF-Sulawesi reshaped their current programme to focus on socialization of the TLAS /SVLK to the multistakeholder forum in their regions which was facilitated by PMU in Makasar on April 7 and in Jambi on April 13, 2009. Furthermore, SSS-PUNDI will reshape their outputs to the Permenhut 38/2009 after it was officially signed by Ministry of Forestry in June 2009.

Output 2:

- PMU and KARSA agreed to reshape their work towards Output 1 on April 7, 2009 in Jogjakarta by establishment a mutual agreement with Perum PERHUTANI to encourage a dispute resolution institution related to SVLK implementation in Perhutani Area in Jawa. Furthermore KARSA will structure and test a public complaints mechanism as a component of SVLK monitoring, verification and dispute resolution.

Output 3:

- PMU facilitated KOMDA PS (Local Commission on Social Forestry) in Kendari-SE Sulawesi, on April 5 2009 to reshape their output 3 by capitalizing their work related to Output one, for example preparing sites for legal trade, delineation, registration, licensing and testing legality standards.
- PMU discussed with Javlec on April, 6 2009 in Jogjakarta: To strengthen the local initiatives to build the commission on timber at village level in Jogjakarta and facilitated farmers groups to established business licences, certification and market access in Jogjakarta. Also Javlec is establishing a Joint Forest Management Partnership between community and Local Forest Agency in Banten and Madiun
- PMU have a meeting with SAMANTA Foundation – Nusatenggara on April 12-13, 2009 in Mataram. They are focussing to strengthen the local initiatives to promote and draft the policy of the institution of Forest Management Unit model in West Rinjani Lombok, West Nusatenggara. The large area in Rinjani is approximately 40.000 hectares and endorsing 500 ha community forest in protected forest zone of Kapohak Penang East Sumba

Output 5:

- PMU has facilitated Community Foundations to strengthen the civil society concern on monitoring of the SVLK in regional, tracking and documenting the licensing process application of SVLK, building local independent monitoring facilities, and accredited auditors for CBFM.

Output 6:

- PMU helped BPKH 11 Jogjakarta on April 7, 2009 to reshape their output to link spatial data sets with legality verification system digitations of annual planning (RKT), including link up with timber industry. Further more BPKH 11 should create a registration system in local/ community forest with the SVLK system and a data base of small businesses.

In addition, there are 18 grantees in the final stages of the projects, which had been finalising their reports and received the final instalment/ payment of grant that will included in the budget allocation in AWP 2009/2010. In the other group, there are 9 projects that will continued in the AWP 2009/2010 which is divided between 8 project partners that will accomplish their projects with reshaped work programmes and 1 project partner, The Burung Indonesia which will complete their accomplishment without the reshaping their programme as part of a responsible exit strategy.

2.2 The Fund Support for Committed on Going Projects

As the description above, there are two groups of committed projects to be covered by DFID in the AWP 2009/2010. The first group is 9 major on going projects most of whom will end in 2010 and the second group is made up of grantees in the final stages of reporting the projects on 2009. The groups are as follows:

NO	GRANTEE	COMMITMENT (GBP)
1	Group of 9 Major On Going Project	201,904
2	Group of 18 Grantee in Final Stage and Installment (last payment)	45,384
TOTAL		247,288

CHAPTER III

NEW DIRECTION AND SCOPE OF PRIORITIES

To elaborate the recommendation from June 2009 SC meeting enriched with the consultation process for developing the new log frame and activities, the DFID and PMU worked closely with other relevant MoFr agencies to synergise the role and responsibility of the programme implementation. The new needs and priorities have been taken into account in the work programme described in this chapter, taking into account the needs of the previous programme as described in the Letter of Arrangement.

Under the supervision of Dr. Hadi Daryanto (the DirGen of BPK), the DFID and PMU team developed a new logical framework focused on three basic priorities as follows:

- Institutional strengthening (procedure, code of conducts, and capacity building).
As the Timber Legality Assurance System (or System Verifikasi Legalitas Kayu, or SVLK) is a new instrument, much capacity building is needed of the main actors at all levels to ensure the smooth implementation of SVLK when it is fully implemented.
- Market Recognition of the Indonesian TLAS (SVLK) to gain international recognition.
A good legality assurance system is worthless if it does not meet the needs of the market. A promotion programme is also required to ensure Indonesian SVLK-verified timber is acceptable and obtain sufficient incentive from the market. In particular special programmes need to be developed to support the VPA negotiation processes between the Government of Indonesia and the EU, as the first stage in international recognition of the SVLK.
- Review of the SVLK implementation.
Aware of imperfections in the SVLK system, BPK is keen to develop a system to enable objective review of implementation, including ensuring the best monitoring and evaluation of the system. Hand in hand with other concerted parties and donors, MFP will facilitate the establishment and empowerment of a multi-stakeholders working group to develop the function of reviewing the implementation of SVLK.

The development of this new log frame took around 3 (three) weeks, resulting in the following (new) outputs, indicators and milestones:

Output 1

Sufficient capacity to implement SVLK (Supply chain control, accreditation processing, auditing, independent monitoring, and licensing and structuring implementation mechanism), with the following indicators:

- 1.1. Number of LP&VI auditors trained and certified; Number of LP&VI accredited by KAN.
- 1.2. Percentage of timber production and processing units, including small forest enterprises, trained to implement SVLK; percentage of trained enterprises certified.
- 1.3. Capacity of other key actors to fulfil their specified roles in implementing SVLK.

1.4 Awareness of key interest groups on aims and operation of SVLK

Output 2

SVLK certified timber recognised in key international markets, with the following indicators:

- 2.1. Availability and acceptability of FLEGT-licensed timber in EU market.
- 2.2. Acceptability of SVLK-certified timber in key non-EU markets

Output 3

Representative mechanism in place to review and strengthen SVLK implementation, with the following indicators:

- 3.1. Proportion of MoFor monitoring reports cross checked for validity by SVLK auditors.
- 3.2. Percentage of complaints successfully resolved by Permenhut 38/2009 dispute resolution mechanism
- 3.3. Independent performance review process to improve standards and implementation of Permenhut 38/2009 developed, implemented and results publicly accessible

It is worth noted that the limited number of the (new) outputs and indicators is aimed at ensuring the achievement of the ultimate target of SVLK in place, well implemented, and gain international acceptance. The completed log frame showing the planned activities and milestones for 2009/2010, 2010/2011 and 2011/2012 is attached.

CHAPTER IV

PROGRAM ACTIVITIES 2009/2010

The log frame consist of the Goal, Purpose with output indicator and baseline including milestone for year 2009-2012 as the new format of logframe suggested by DFID office. The log frame also includes the list of activities with indicative budget divided into a two and a half year program with three components : 1) Institutional strengthening; 2) Market Recognition of the Indonesian TLAS (SVLK) to gain international recognition; and 3) Review of the SVLK implementation. Some revisions were made to fulfil the measurable achievement and standard in the context of accelerating the TLAS as an instrument of good forestry governance, sustainable forest management, and as a trade agreement through a signed Voluntary Partnership Agreement (VPA).

The revisions were made at goal and purpose level followed by the output level as follows:

Goal: “Illegal logging reduced, and the role of sustainable forest management in poverty reduction, economic growth, and climate change adaptation and mitigation enhanced”

Replace to : “All traded Indonesian timber demonstrated legal, as a precondition for effective forest governance, sustainable forest management”

Purpose: “Enabling conditions for legal and institutional reform toward SFM in place by 2011, that support poverty reduction, and climate change adaptation and mitigation in the forestry sector”

Replace to: “A credible Timber Legality Assurance System (TLAS) that is recognized by the market”

The rationale of the changing words in Goal and Purpose and its spirits is to better express the focus of the activities to endorse and promote legal timber. This will make a significant contribution to combating illegal logging and to promoting legal timber.

(Old) Output 1 (in previous log frame): “TLAS as instrument of good forestry governance, sustainable forest management, and trade agreement (as in VPA) is finalized” which will be emphasized in 3 new outputs (institutional strengthening, mutual agreement of Indonesia TLAS and Review of SVLK implementation) with specifics measurable indicators and milestone in new log frame as follows:

(New) Output 1: Sufficient capacity to implement SVLK (Supply chain control, accreditation processing, auditing, independent auditing, independent monitoring, licensing and structuring implementation mechanism)

Output2: SVLK certified timber recognized in key international markets

Outputs3: Representative mechanism in place to review and strengthen SVLK implementation

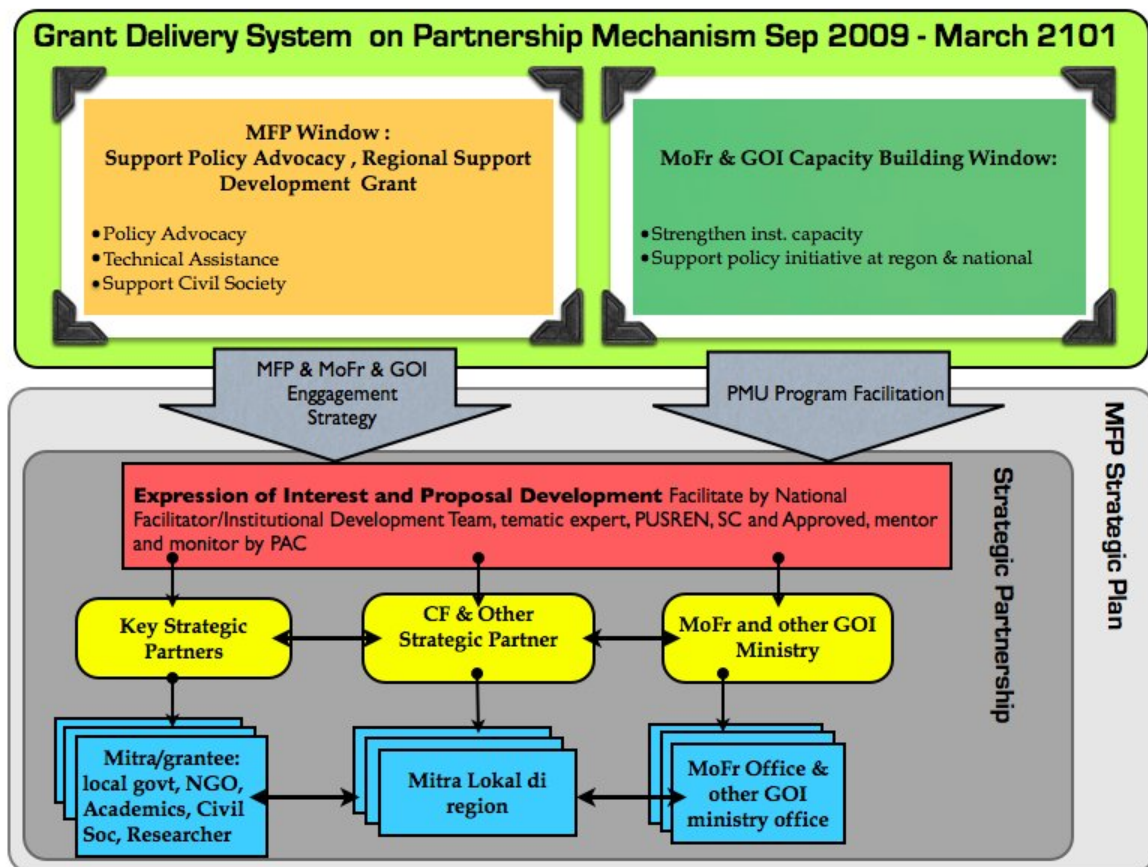
The complete logframe, activities (more than 70 activities for year 2009-2012) is annexed matrix.

CHAPTER V

GOVERNANCE, PARTNERSHIPS AND RESOURCES

5.1. Governance

During the transition period MFPII will continue to follow the Standard Operating Procedures and grant delivery system already agreed. However, the new programme is now much less demand driven than the old MFPII program. Grants and contracts for Outputs 1 to 3 will have to be developed to fulfill those Outputs with identified partners, whether they are civil society organisations, government bodies or private entities. Therefore MFPII will not be issuing any calls for proposals for either the Policy Advocacy Development or the Regional Support Development windows. The Partnership Approval Committee (PAC) still retain the function of examining the content of proposals developed and will have meeting regularly to review projects to be financed. The scema of program delivery system is changed as below.



5.2. Partnerships

This programme requires close partnerships with government, CSO and the private sector as follows:

- Output 1 activities are mainly training and communication, and will be achieved in partnership with PUSDIKLAT SDM Kehutanan and EU FLEGT Support Project through grants, service contracts and purchase orders, including travel

- Output 2 activities are mainly short term consultancy and market research work financed through service contracts and grants and purchase orders including travel (for instance to attend VPA meetings)
- Output 3 activities are mainly MFPII facilitated processes such as the running costs of working groups, but may include grants and service contracts for studies, etc. Some of these activities will be done in partnership with Transparency International Indonesia (TI-I) who are running the working group on Independent Forest Monitoring, and other Civil Society Organisations.

It is proposed that the main government counterpart executing agency be the Directorate General of Forest Production (BPK).

5.3. Resources

The majority of the 2009/10 budget has been allocated to getting the SVLK operational (Output 1) and helping set up the performance improvement mechanism (Output 3). Work on market recognition (Output 2), which includes support to VPA negotiations, is not planned to start until 2010. However MFPII facilitators and secondees will be supporting the three (3) Ministry SVLK Working Groups now running and the Facilitation budget line (GBP119,300) is available for ad hoc work arising from the VPA negotiations. The budget allocation for this financial year (April 2009 to March 2010) is GBP732,703, and is broken down in the following tables below.

The EU FLEGT Support Project is a key funding partner and has already co-financed a number of workshops with MFPII. It is proposed to maintain a regular, probably monthly, planning meeting with the Program Director of MFP II and FLEGT Team Leader to better co-ordinate our respective inputs into the SVLK Capacity Building work.

The resources of fund from DFID budget as indicated and breakdown in Budget Allocation 2009-2012 below (Table 1 & 2) and other possible source of fund will be available as matched funding from the partnership as mentioned above. In addition other donors may get involved in financing work to support the SVLK. Again, good coordination and regular dialogue with such potential partners will be valuable.

Table 1: INDICATIVE BUDGET ALLOCATION 2009-2012
FOREST GOVERNANCE AND MULTISTAKEHOLDER FORESTRY PROGRAM

No	Period		
	2009/2010	2010/2011	2011/2012
A. Program Cost			
1	Grant Making		
	Committed ¹	247,288	
	Planned ²	125,294	1,070,588
2	Facilitation	119,300	261,508
3	Program Personnel	131,933	145,126
	Sub Total	623,815	1,477,223
B. Operational Cost			
		108,888	119,777
TOTAL BUDGET		732,703	1,597,000
			1,543,000

Notes for the table:

1. "Grant Making" is split into two:

- Remaining projects from the old log frame and AWP that will be completed this financial year
 - Activities planned under the new log frame and current AWP 2009/10
2. “Facilitation” consists of the cost of strategic planning, meetings and conferences, short-term consultancy, monitoring and evaluation and documentation and evaluation.
 3. “Program Personnel” consists of Programme Facilitators, Co-Director Dephut, MoF Secondees and the local FLEGT VPA consultant.
 4. “Operational Cost” is split into two; Programme Operation which covers office, IT, communication and local transport costs and Personnel Management which covers the Programme Director, Senior Finance Management (part-time 30%), administration staff and other support for support staff.

Table 2: Indicative Budget allocation of new spending based on the new log frame (GBP125, 294)

No	Output	Milestone 1		Milestone 2		Milestone 3	
		Rupiah (Rp)	GBP (£)	Rupiah (Rp)	GBP (£)	Rupiah (Rp)	GBP (£)
1	Output 1 : Sufficient capacity to implement SVLK (Supply chain control, accreditation processing, auditing, independent monitoring, licensing and structuring implementation mechanism)	1,605,000,000	94,412	6,650,000,000	391,176	6,200,000,000	364,706
2	Output 2 : SVLK certified timber recognized in key international markets	60,000,000	3,529	4,750,000,000	279,412	4,000,000,000	235,294
3	Output 3 : Representative mechanism in place to review and strengthen SVLK implementation	465,000,000	27,353	6,800,000,000	400,000	6,800,000,000	400,000
4	Facilitation	2,028,100,000	119,300	4,445,642,008	261,508	4,277,318,631	251,607
5	Program Personnel	2,242,859,195	131,933	2,467,145,114	145,126	2,713,859,625	159,639
6	Operational Cost	1,851,096,000	108,888	2,036,205,600	119,777	2,239,826,160	131,754
Total Cost		8,252,055,195	485,415	27,148,992,722	1,597,000	26,231,004,416	1,543,000

Note: GBP 1 = Rp. 17.000,-

Considerable flexibility will be required to make this support to the SVLK effective. Whilst the Outputs and their Milestones provide a solid framework for planning and reporting, the activities necessary to achieve those outputs are likely to be subject to modification and should therefore not be considered final. Likewise the budgets for each activity should be considered indicative and subject to modification, within the limitations of the overall total (GBP732,703)

Attachment 1. The Logframe

GOAL	Indicator	Baseline 2009	Milestone 1	Milestone 2	Milestone 3	Target (date)	
All traded Indonesian timber demonstrated legal, as a precondition for effective forest governance, sustainable forest management	Percentage of legally produced timber as proportion of total production	Only 50% of reported timber production (xxx m3) can be accounted for as legal				[100%] of reported timber production accounted for as legally produced	
		Source					
		Ministry of Forestry data					
	Availability of SVLK certified timber	Volume of SVLK-certified timber produced: <u>0</u> m3				Volume of SVLK - certified timber produced: <u> </u> m3	
		Source					
		Ministry of Forestry data					
	Availability of information on location, operation and production of timber harvest rights and processing facilities.	Available information on timber production not complete, timely or consistent.				Information on timber production in public domain complete, consistent and readily available	
		Source					
		Ministry of Forestry data					
	PURPOSE	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target [31 March 2011]
	A credible Timber Legality Assurance System (TLAS) that is recognized by the market	Proportion of objections concerning SVLK operation by industry and civil society groups resolved.	6 major concerns raised by national CSOs concerning SVLK design				Broad agreement by national CSOs and industry that SVLK system, including complaint resolution process, is working
			Source				
Letters from CSOs and industry groups; workshop proceedings, press statements							
Recognition of SVLK certified timber in key export markets		No SVLK timber - no recognition				EU recognition of SVLK-certified products, indicated by initiation of formal customs control of trade.	SVLK-certified timber products recognized as legal in key timber markets (EU, US, AU, JP)
	Source						
Independent assessments, VPA and other import licenses, minutes of meetings, market reports							
INPUTS (£)	DFID (£)	Govt (£)	Other (£)	Total (£)		DFID SHARE (%)	
	2,500,000						
INPUTS (HR)	DFID (FTEs)						

OUTPUT 1	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)	
Sufficient capacity to implement SVLK (Supply chain control, accreditation processing, auditing, independent monitoring, licensing and structuring implementation mechanism)	1.1 Number of LP&VI auditors trained and certified; Number of LP&VI accredited by KAN.	150 auditors LEI registered 15 LPIs MoF accredited (interim 1-year accreditation by KAN + BRIK for CoC verification)	200 SVLK auditors certified 15 LP&VIs KAN accredited	350 SVLK auditors certified 25 LP&VIs KAN accredited	500 SVLK auditors certified 50 LP&VIs KAN accredited	500 SVLK auditors certified 50 LP&VIs KAN accredited	
	Source						
	Regulation, Government gazettes, MoFor website, Minutes of meetings						
		Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
		1.2. Percentage of timber production and processing units, including small forest enterprises, trained to implement SVLK; percentage of trained enterprises certified.	Some capacity within larger enterprises based on private certification and LPIs. Limited capacity in small enterprises	Detailed programmes developed to address enterprises' capability to implement SVLK.	National target: 30% of small timber production and processing units and 50% medium and large enterprises capable of implementing SVLK. National target: 30% of trained enterprises SVLK certified. 30% of national target facilitated by MFP	National target: 60% of small timber production and processing units and 100% medium and large enterprises capable of implementing SVLK. . National target: 90% of trained enterprises SVLK certified. 30% of national target facilitated by MFP	National target: 60% of small timber production and processing units and 100% medium and large enterprises capable of implementing SVLK. National target: 90% of trained enterprises SVLK certified. 30% of national target facilitated by MFP
		Source					
		Independent assessment and SVLK certificates from accredited LP&VIs					
		Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
		1.3. Capacity of other key actors to fulfill their specified roles in implementing SVLK.	SVLK regulation (Permenhut 38/09) has just been issued in June 2009. Roles of some agencies specified	Roles of all relevant bodies in Permenhut 38/2009 (SVLK) operation clearly specified. Personnel in central and 5 local/regional bodies (forestry, custom, independent monitors, etc) understand, resourced and are fulfilling their roles.	Personnel in central and 13 local/regional bodies (forestry, customs, independent monitors, etc) understand, resourced and are fulfilling their roles in SVLK operation.	Personnel in central and 27 local/regional bodies (forestry, customs, independent monitors etc) understand, resourced and are fulfilling their roles in SVLK operation.	Personnel in central and 27 local/regional bodies (forestry, customs, independent monitors etc) understand, resourced and are fulfilling their roles in SVLK operation.
		Source					
	Training programme reports, monitoring of SVLK implementation, complaints about SVLK implementation						

	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
	1.4 Awareness of key interest groups on aims and operation of SVLK	Good awareness of SVLK amongst key CSOs at central level. Limited awareness amongst local/regional interest groups.	Socialization strategy developed. Interest groups in 5 provincial centers and 10 district centers have good understanding of SVLK aims and operation	Interest groups in 13 provincial centers and 40 district centers have good understanding of SVLK aims and operation	Interest groups in 27 provincial centers and 81 district centers have good understanding of SVLK aims and operation	Interest groups in 27 provincial centers and 81 district centers have good understanding of SVLK aims and operation
	Source					
	Outreach (socialization) programme reports; comments from interest groups, surveys					
IMPACT WEIGHTING						
INPUTS (£)	DFID (£)	Govt (£)	Other (£)	Total (£)		DFID SHARE (%)
	1,750,000					
INPUTS (HR)	DFID (FTEs)					
	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
SVLK certified timber recognized in key international markets	2.1 Availability and acceptability of FLEGT-licensed timber in EU market	Joint expert meeting identifies gaps between SVLK and EU standards	Joint EU-Indonesia working groups agree action plan to address gaps through DFID & MFP facilitation	Through DFID & MFP facilitation, VPA negotiations concluded with SVLK as Annex and action plan implementation started. Active promotion of SVLK timber in EU market communications initiated	Through DFID & MFP facilitation, FLEGT licensing system in operational. FLEGT-licensed timber accepted by Due Diligence Regulation, Public Procurement Policies of 4 EU member state and 4 national timber trade associations	Through DFID & MFP facilitation, FLEGT licensing system in operational. FLEGT-licensed timber accepted by Due Diligence Regulation, Public Procurement Policies of 4 EU member state and 4 national timber trade associations
	Source					
	Minutes of negotiations, negotiating text, action plan, quarterly progress reports, EU green procurement policies					

	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
	2.2 Acceptability of SVLK-certified timber in key non-EU markets	No SVLK certified timber produced. Relevant bilateral arrangements in place with US, JP, CN, AU. No explicit recognition of SVLK.	TORs on current market demands for legal timber by product segment analyses in key markets (US, AU, JP, CN, KR, TW) and promotion strategy prepared.	Current market demands for legal timber by product segment analyzed in key markets (US, AU, JP, CN, KR, TW) and promotion strategy developed. Strategies to gain recognition as evidence of US imports and other trade partners developed through MFP facilitation	SVLK certificates recognized as evidence of legality for US imports and 2 other key trade partners. Major corporations in 3 key trade partners specify SVLK in procurement policies Trade associations in 3 key trade partners promote SVLK	SVLK certificates are recognized as evidence of legality for US imports with 3 other key trade partners. Major corporations in 3 key trade partners specify SVLK in procurement policies Trade associations in 3 key trade partners promote SVLK
	Source					
	Minutes of negotiations with other buyers, market reports, quarterly progress reports					
IMPACT WEIGHTING						
INPUTS (£)	DFID (£)	Govt (£)	Other (£)	Total (£)		DFID SHARE (%)
INPUTS (HR)	DFID (FTEs)					
OUTPUT 3	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
Representative mechanism in place to review and strengthen SVLK implementation	3.1. Proportion of MoFor monitoring reports cross checked for validity by SVLK auditors.	Protocols to cross-check MoFr timber-administration data not yet in place	Protocols for cross-checking of MoFr timber administration data by SVLK auditors in place.	MoFr data on timber administration cross-checked for validity in 50% of cases	MoFr data on timber administration cross-checked for validity in 100% of cases	MoFr data on timber administration cross-checked for validity in 100% of cases
	Source					
	Government regulation, M&E surveys minutes, quarterly reports, minutes public consultations and minutes of meetings					
	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
	3.2. Percentage of complaints successfully resolved by Permenhut 38/2009 dispute resolution mechanism	Permenhut 38/2009 not in operation - no complaints received.	Permenhut 38/2009 dispute resolution mechanism drafted and tested. 20% of complaints received are analyzed and resolved and results communicated to complainants	40% of complaints identified, analyzed, resolved and results communicated to complainants. Review of complaints mechanism completed.	Permenhut 38/2009 dispute resolution mechanism refined. All complaints received identified, analyzed, resolved and results communicated to complainants and publicly available	Permenhut 38/2009 dispute resolution mechanism refined. All complaints received identified, analyzed, resolved and results communicated to complainants and publicly available
	Source					
	LPVI , IFM, & KAN reports					

	Indicator	Baseline	Milestone 2009/2010	Milestone 2010/2011	Milestone 2011/2012	Target (31 March 2012)
	3.3 Independent performance review process to improve standards and implementation of Permenhut 38/2009 developed, implemented and results publicly accessible.	Performance review of SVLK not specified.	Multi-stakeholder performance review and system adaptation mechanism established.	First comprehensive review of Permenhut 38/2009 performed and need for adaptation to improve standards and implementation identified. Public summary report released.	Actions taken on first review recommendations. Second review of Permenhut 38/2009 performed and need for adaptation to improve standards and implementation identified. Public summary report released.	Actions taken on first review recommendations. Second review of Permenhut 38/2009 performed and need for adaptation to improve standards and implementation identified. Public summary report released.
		Source				
		Programme M&E surveys; independent monitoring reports; minutes of LPVI and KAN dispute resolution sessions; press				
IMPACT WEIGHTING	30%					
INPUTS (£)	DFID (£)	Govt (£)	Other (£)	Total (£)		DFID SHARE (%)
INPUTS (HR)	DFID (FTEs)					

Attachment 2. The List of Activities

FOREST GOVERNANCE AND MULTISTAKEHOLDER FORESTRY PROGRAMME				
ACTIVITIES OF 2009/2010 TO 2011/2012				
Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
1. Sufficient capacity to implement SVLK (Supply chain control, accreditation processing, auditing, independent monitoring, licensing and structuring implementation mechanism)				
1.1 Number of SVLK auditors trained and certified; number of LP&VI accredited by KAN	150 auditors LEI registered 15 LPIs MoF accredited (interim 1-year accreditation by KAN + BRIK for CoC verification)	200 SVLK auditors certified 15 LP&VIs KAN accredited	350 SVLK auditors certified 25 LP&VIs KAN accredited	500 SVLK auditors certified 50 LP&VIs KAN accredited
ACTIVITY 1.1.1				
Enhancing training capacity		Facilitating Training of trainers and training of facilitators	Facilitating Training of trainers and training of facilitators	Facilitating Training of trainers and training of facilitators
ACTIVITY 1.1.2				
Facilitating training of SVLK auditors		Refreshment training to 150 LEI registered auditors; Competence training for 50 new SVLK- LPI auditors; KAN to recognize 15 LP&VI	Competence training for 150 new SVLK auditors in the regions; KAN to accredit 25 LP&VI	Competence training for 150 new SVLK auditors in the regions; KAN to accredit 25 LP&VI
Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
1.2. Percentage of timber production and processing units, including small forest enterprises, trained to implement SVLK; percentage of trained enterprises certified	Some capacity within larger enterprises based on private certification and LPIs. Limited capacity in small enterprises	Detailed programmes developed to address enterprises' capability to implement SVLK.	National target: 30% of small timber production and processing units and 50% medium and large enterprises capable of implementing SVLK. National target: 30% of trained enterprises SVLK certified. 30% of national target	National target: 60% of small timber production and processing units and 100% medium and large enterprises capable of implementing SVLK. National target: 90% of trained enterprises SVLK certified. 30% of national target
ACTIVITY 1.2.1				
SVLK Training need assessment for timber production and processing units		Facilitating the formulation of training action plan; Facilitating TNA		

ACTIVITY 1.2.2				
SVLK training for timber production and processing units		Facilitating SVLK training for 30 timber production and processing units	Facilitating SVLK training for 30 % of national target of timber production and processing units	Facilitating SVLK training for 30 % of national target of timber production and processing units
ACTIVITY 1.2.3				
Training evaluation		Designing training evaluation modules	Conducting training evaluation for 30 timber production and processing units	Conducting training evaluation for 100 timber production and processing units; Reviewing training design and curricula
ACTIVITY 1.2.4				
Facilitating the development of small timber production/enterprises			Facilitating rural people to obtain forest management (HTR, HKM) permits.	Facilitating rural people to obtain forest management (HTR, HKM) permits.
Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
1.3. Capacity of other key actors to fulfill their specified roles in implementing SVLK.	SVLK regulation (Permenhut 38/09) issued in June 2009. Roles of some agencies specified	Roles of all relevant bodies in Permenhut 38/2009 (SVLK) operation clearly specified. Personnel in central and 5 local/regional bodies (forestry, custom, independent monitors, etc) understand, resourced and are fulfilling their roles.	Personnel in central and 15 local/regional bodies (forestry, customs, independent monitors, etc) understand, resourced and are fulfilling their roles in SVLK operation.	Personnel in central and 33 local/regional bodies (forestry, customs, independent monitors etc) understand, resourced and are fulfilling their roles in SVLK operation.
ACTIVITY 1.3.1				
Outreach and dissemination of Permenhut 38/2009 at provincial level		Facilitating dissemination of roles of relevant bodies in Permenhut 38/2009 implementation in 5 provinces	Facilitating dissemination of roles of relevant bodies in Permenhut 38/2009 implementation in 10 provinces	Facilitating dissemination of roles of relevant bodies in Permenhut 38/2009 implementation in 18 provinces
ACTIVITY 1.3.2				
Cross sector outreach and dissemination of Permenhut 38/2009 at central government level			Facilitating dissemination of roles of relevant bodies in Permenhut 38/2009 implementation at national level	

ACTIVITY 1.3.3				
Information centre of Permenhut 38/2009 implementation			Facilitating stakeholders to initiate of "information centre" on Permenhut 38/2009	Facilitating the operation of information centre
ACTIVITY 1.3.4				
Special outreach and dissemination for law enforcement agencies			Facilitating dissemination of roles of relevant bodies in Permenhut 38/2009 for law enforcement agencies	
Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
1.4 Awareness of key interest groups on aims and operation of SVLK	Good awareness of SVLK amongst key Civil Society Organization's at central level. Limited awareness amongst local/regional interest groups.	Socialization strategy developed. Interest groups in 5 provincial centers and 10 district centers have good understanding of SVLK aims and operation	Interest groups in 13 provincial centers and 40 district centers have good understanding of SVLK aims and operation	Interest groups in 27 provincial centers and 81 district centers have good understanding of SVLK aims and operation
ACTIVITY 1.4.1				
Pooling knowledge and leadership of key CSOs at central level		Facilitating meetings among key CSOs at central level	Facilitating CSOs in developing lessons learned mechanism with respect to implementation of Permenhut 38/2009	
ACTIVITY 1.4.2				
Facilitating CSOs leaderships to design socialization strategies to be adopted in the regions		Facilitating CSOs workshops in designing socialization strategies	Channeling the socialization strategies into regional CSO networks	
ACTIVITY 1.4.3				
Facilitating the regional CSO networks to organize the implementation of socialization strategies		Facilitating preparation of socialization plan for CSOs	Facilitating the implementation of socialization strategies in 13 provinces and 40 districts	Facilitating the implementation of socialization strategies in 33 provinces and 81 districts. Evaluation of socialization impacts

Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
SVLK certified timber recognized in key international markets				
2.1 Availability and acceptability of FLEGT-licensed timber in EU market	Joint expert meeting identifies gaps between SVLK and EU standards	Joint EU-Indonesia working groups agree action plan to address gaps through DFID & MFP facilitation	Through DFID & MFP facilitation, VPA negotiations concluded with SVLK as Annex and action plan implementation started. Active promotion of SVLK timber in EU market communications initiated	Through DFID & MFP facilitation, FLEGT licensing system in operational. FLEGT-licensed timber accepted by Due Diligence Regulation, Public Procurement Policies of 4 EU member state and 4 national timber trade associations
ACTIVITY 2.1.1				
Facilitating joint expert group meeting		Facilitating joint expert meeting. Participating in the relevant joint expert, presentations and discussions		
ACTIVITY 2.1.2				
Facilitating negotiation teams		Observing the result and recommendations of joint experts. Facilitating the preparation of Action Plan based on these recommendation and provide support to that Action Plan	Facilitating and participating in the negotiations (working group/ SOM). Observing the progress of negotiations and facilitating any development until the negotiation concluded	
ACTIVITY 2.1.3				
Facilitating promotion of SVLK certificates			Preparation for the (joint) promotional programme of SVLK timber in EU market. Implementation of the (joint) promotion of SVLK timber in EU market	Continuation of implementation of the (joint) promotion of SVLK timber in EU market

Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
2.2 Acceptability of SVLK-certified timber in key non-EU markets	No SVLK certified timber produced. Relevant bilateral arrangements in place with US, JP, CN, AU. No explicit recognition of SVLK.	TORs on current market demands for legal timber by product segment analyses in key markets (US, AU, JP, CN, KR, TW) and promotion strategy prepared.	Current market demands for legal timber by product segment analyzed in key markets (US, AU, JP, CN, KR, TW) and promotion strategy developed. Strategies to gain recognition as evidence of US imports and other trade partners	SVLK certificates recognized as evidence of legality for US imports and 2 other key trade partners. Major corporations in 3 key trade partners specify SVLK in procurement policies. Trade associations in 3 key trade partners promote SVLK
ACTIVITY 2.2.1				
Facilitating the preparation works to promote SVLK to obtain the acceptability		Developing TORs and finding possible candidates to carry out study on current market demands for legal timber in key markets	Facilitating the study on current market demands for legal timber markets.	
ACTIVITY 2.2.2				
Facilitating promotion of SVLK certified timber in Non EU markets			Facilitating the development of promotional strategies to gain recognition as evidence of US imports and other trade partners	Facilitating the promotion of SVLK certificate timber to gain recognition: in US and other non EU key markets, major corporations, trade associations
Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
Representative mechanism in place to review and strengthen SVLK implementation				
3.1. Proportion of MoFr monitoring reports cross checked for validity by SVLK auditors.	Protocols to cross-check MoFr timber-administration data not yet in place	Protocols for cross-checking of MoFr timber administration data by SVLK auditors in place.	MoFr data on timber administration cross-checked for validity in 50% of cases	MoFr data on timber administration cross-checked for validity in 100% of cases

ACTIVITY 3.1.1				
Facilitating the establishment of multistakeholder WG on Monitoring and Evaluation		Facilitating the drafting of protocols on data management mechanism and transparency for the purpose of cross checks.	Facilitating establishment / improvement of data system on SVLK implementation. Facilitating the implementation of data management mechanism and transparency Facilitating monitoring of validation.	Evaluating of data systems management and the utilization of data. Facilitating improvement of data systems management
ACTIVITY 3.1.2				
Disseminating the results of the WG		Facilitating the protocol of dissemination to increase transparency	Facilitating the lesson learned in data management mechanism and transparency	Facilitating the evaluation of implementation of dissemination
Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
3.2. Percentage of complaints successfully resolved by Permenhut 38/2009 dispute resolution mechanism	Permenhut 38/2009 not in operation - no complaints received.	Permenhut 38/2009 dispute resolution mechanism drafted and tested. 20% of complaints received are analyzed and resolved and results communicated to complainants	40% of complaints identified, analyzed, resolved and results communicated to complainants. Review of complaints mechanism completed.	Permenhut 38/2009 dispute resolution mechanism refined. All complaints received identified, analyzed, resolved and results communicated to complainants and publicly available
ACTIVITY 3.2.1				
Facilitating the initiation of dispute resolution institutional arrangement		Facilitating the drafting and testing of dispute resolution mechanism	Facilitating the analysis of complaints Facilitating communication	
ACTIVITY 3.2.2				
Facilitating the establishment of the dispute resolution institutional arrangement		Facilitating institutional management support for dispute resolution institutional arrangement	Facilitating and communicating the lessons learned and knowledge management to the public	Facilitating review and improvement of dispute resolution institutional setting. Facilitating the establishment of information centre for dispute resolution

Output - indicator output	Baseline	Milestone1	Milestone 2	Milestone 3
3.3 Independent performance review process to improve standards and implementation of Permenhut 38/2009 developed, implemented and results publicly accessible.	Performance review of SVLK not specified.	Multi-stakeholder performance review and system adaptation mechanism established.	First comprehensive review of Permenhut 38/2009 performed and need for adaptation to improve standards and implementation identified. Public summary report released.	Actions taken on first review recommendations. Second review of Permenhut 38/2009 performed and need for adaptation to improve standards and implementation identified. Public summary report released.
ACTIVITY 3.3.1				
Enhancing the capacity of independent monitoring institutions		Facilitating the preparation of training curriculum for Independent Monitoring Personnel	Facilitating training for independent monitoring personnel (IMP)	Facilitation of evaluation on capacity of independent monitoring. Facilitating the revision of training curriculum and modules for IFP
ACTIVITY 3.3.2				
Facilitating the establishment of a multistakeholder network to evaluate the implementation of Permenhut 38/2009 and other related regulations		Facilitating the establishment of multistakeholder networks at national and province levels. Facilitating the working group meetings to establish review system	Facilitating first comprehensive evaluation of Permenhut 38/2009.	Facilitating second comprehensive evaluation of Permenhut 38/2009
ACTIVITY 3.3.3				
Disseminating the result of review/ evaluation			Facilitating the dissemination of the review / evaluation result to obtain feed back on the improved standards and implementations	Facilitating the dissemination of the review / evaluation result to obtain feed back for further improvement on standards and implementations
ACTIVITY 3.3.4				
Supporting other activities relevant to SVLK		TBA	TBA	TBA

