



STRATEGIC PLAN 2015-2020

STRATEGIC PLAN 2015-2020



KEHATI
INDONESIAN BIODIVERSITY
CONSERVATION TRUST FUND

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About TFCA-Sumatera



The Government of the United States of America (USG), the Government of Indonesia (GOI), Indonesian Biodiversity Foundation (KEHATI) and Conservation International Foundation (CI) signed three agreements on 30th June 2009. These agreements are: Debt Swap Agreement, Swap Fee Agreement, and Forest Conservation Agreement. The Debt Swap Agreement is an agreement between GOI and USG, which allow redirection of the payment of certain Indonesian debt to the US Government into a Trust Fund. The Swap Fee Agreement is an agreement between USG, CI and KEHATI concerning contribution of both NGOs in the debt swap scheme which allow the NGOs to be the swap partners. The Forest Conservation Agreement is an agreement between GOI and CI and KEHATI which stipulates the implementation of the program on the ground. The generated funds from the debt payment redirection are used to support local NGOs and other eligible organizations through provision of grants to conduct forest conservation activities which aim to protect and restore tropical forests, and sustainable use of biodiversity in Sumatra. The program is then referred to as Tropical Forest Conservation Action for Sumatra (TFCA-Sumatera). The program is overseen by a body called the Oversight Committee, whose membership consists of the representatives of the GOI, USG, CI and KEHATI as the permanent members, and three additional designated members from other NGOs and other organizations, namely Indonesia Business Link (IBL), Syiah Kuala University and Transparency International-Indonesia. At the implementation level, the program is administered by KEHATI (Administrator) in accordance with the Forest Conservation Agreement. As agreed, the signatories appointed HSBC Private Bank of Singapore to act as the Trustee. This scheme will generate about US\$ 30 million

over 8 years from about US\$ 20 million of the principal and US\$ 10 million from the interests.

The Forest Conservation Agreement signed by the GOI, KEHATI and CI acts as the implementing agreement which directs the Oversight Committee in its fiduciary roles and the Administrator to manage the funds and provide grants for the actions taken on the ground. The Oversight Committee is the governing body whose membership is divided into two categories, namely Permanent Members and Designated Members. The Permanent Members consist of representatives from GOI, USG, CI and KEHATI, while Designated Members whose term of office is three years, consist of representatives from Indonesia Business Link, Transparency International-Indonesia and University of Syiah Kuala. In the near future TFCA Sumatera will expand its organization by establishing Regional Facilitators which represent the Administrator but appointed through grant making scheme. These office will be established to support the TFCA grantees with continued assistance, including project monitoring, capacity building and stakeholders engagement facilitation.

On the 29th of September 2014 the USG and GOI agreed to expand the current TFCA-Sumatera through an amendment of the agreements. The United States Government and Indonesia signed an amended debt-for-nature swap agreements under the U.S. Tropical Forest Conservation Act (TFCA) of 1998 that will further reduce Indonesia's debt payments to the U.S. Government over the next seven years by about \$12.6 million. These additional funds made through redirection of other certain debts by the GOI to the USG are particularly aimed to conserve endangered species, especially Sumatran Rhino and Sumatran Tiger and their associated habitat. This expansion must be part of the ongoing TFCA-Sumatera's system of grant making, so that it should be integrated into the current system. With this amendment, the membership of the Oversight Committee is slightly changed, to include non-voting members from the Coordinating Ministry of Economic Affairs and the Ministry of Finance.

TFCA- Sumatra Program is oriented to the management of priority ecosystems and endangered wildlife species at the landscape level. In this regard, these prioritized areas will be

the basis for biodiversity conservation at the landscape level supported by sustainable management of entire natural resource elements including forestry, agriculture (agro ecosystem), coastal and shoreline, infrastructure and economic development. This approach emphasizes a collaborative model of natural resource management among all development actors in various sectors, in order to encourage and support forest conservation, and which in turn, will bring impacts on sustainable economic regional development.

With the expansion of TFCA-Sumatera whose particular emphasis will be on the protection of several endangered species and their habitat, it is important that the current landscape-based priority of grant making should also be integrated with the purpose of an expanded focus on species. The expansion of TFCA-Sumatera aims to protect the population of rhinoceros and tigers with benefits to other species such as orangutan and their associated habitats. This aim perfectly matches with the previous 2010-2015 Strategic Plan of TFCA-Sumatera's landscape-based intervention in which protection of species must be in the framework of habitat conservation within the landscape.



Forewords



I am extremely pleased to provide a foreword to the new strategic plan of TFCA-Sumatera for the period of 2015-2020.

The Oversight Committee is very conscious of its responsibility to set a clear vision and direction for the Administrator, Grantees, Potential Grantees and other stakeholders as it enters what can be expected to be a very challenging time for TFCA-Sumatera. This plan is an essential instrument in guiding us through this developing period and in ensuring that the TFCA-Sumatera emerges from it stronger and with its reputation enhanced. The Committee has approved and strongly endorses the new vision and the strategic plan for 2015–2020.

The new strategic plan is also an important milestone when seen in the context of the history of TFCA-Sumatera as it will enter the second five years term this year in which it will face many challenges. It deals with fundamental issues about forest conservation in Sumatra today, and powerfully expresses some of the guiding principles, where intervention measures to deal with conservation issues in Sumatra must be done at three levels, namely policy and institution; landscape; and local community. In addition, TFCA-Sumatera will enter a new grant making policy where, endangered species conservation will be one of the two main basis of conservation measures along with landscape-based conservation activities. A more flexible grant making strategy is built to cater the TFCA targets and the needs of local NGOs and other eligible entities in tackling more difficult issues. In implementing the policy TFCA-Sumatera maintains a high reputation that can only be built on good governance practice; a belief in the power of TFCA-Sumatera to help build a

better tropical forest environment of Sumatra; a commitment to our local communities, and a recognition of our responsibility to inspire the next generation of Indonesian people. The Committee warmly welcomes the reaffirmation of these founding principles in a current context of Sumatran forest conservation.

The Administrator of TFCA-Sumatera will have the full backing of the Committee in the implementation of this plan. Committee for its part will be vigilant in upholding accountability and monitoring progress. We will ensure that TFCA-Sumatera benefits at all times from effective and transparent governance.

I look forward to the future with confidence and with a belief that TFCA-Sumatera is now entering an exciting period of recovering forest biodiversity, maintaining forest carbon and reversing the rate of forest loss in Sumatra.

Jatna Supriatna

Chairman of the Oversight Committee

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Executive Summary



Introduction



As one of the global biodiversity hot spots and one of the 34 places on the planet with a high degree of biodiversity and outstanding endemism, Sumatra continuously faces unprecedented loss of forest cover and decline of population of Sumatran charismatic species. Starting from 2010, TFCA Sumatera Program has worked with our grantees in response to these challenges.

With the target to effectively conserve at least 1 million ha, at the end of the first Strategic Plan (2010-2015), TFCA Sumatera has funded 22 projects from 4 cycles of grant making with the total committed fund being IDR 109.38 billion at 12 out of 13 landscapes. Moreover, TFCA Sumatera has managed to achieve its objectives as demonstrated by several achievements in policy and institutional development, landscape governance and restoration, Species Conservation, Stakeholders Engagement, Green Economy & Sustainable Development Activities. Not only achievements, learning from the first five years program implementation, TFCA Sumatera has identified challenges and opportunity in years ahead.

On September 2014, the Government of the United States and the Government of Indonesia agreed to increase the TFCA Sumatera program with additional funds on top of the currently available funds, dedicated for the conservation of Sumatran key endangered species namely Sumatran tiger (*Panthera tigris sumatrae*), Sumatran Rhinoceros (*Dicerorhinus sumatrensis*), with benefits to other species, including Sumatran Orangutan (*Pongo abelii*) and Sumatran Elephant (*Elephas maximus sumatranus*).

As the amendment of the agreements to expand the mandate of TFCA-Sumatera is coincident with the expiration of the 2010-2015 Strategic plan, it is necessary to develop a new strategic plan, which will cover all the changes, including lessons learned, from the implementation of the previous strategic plan. Therefore, this strategic plan covers all plans of action, which will be financed through the currently available TFCA-Sumatera funds and the additional funds for Sumatran tiger and Sumatran rhinoceros, which will benefit other species, as contained in the amended TFCA agreements. This strategic plan is important to guide the Oversight Committee and Administrator in the management of grant making and to guide the local organizations to develop conservation activities.

Lessons Learned and Achievement from the Previous Strategic Plan

The 2010-2015 Strategic Plan of TFCA-Sumatra, along with associated policy and procedures, provides guidance for the Administrator and Oversight Committee to deliver grants to eligible entities to conduct forest conservation actions in Sumatra. Three key objectives of the 2010-2015 Strategic Plan, including conservation targets, were set. The Oversight Committee issued an inaugural TFCA-Sumatera grant solicitation in June 2010 and approved to grant five proposals subsequently. The grants aimed to improve the protection and management of 835,000 hectares of the most important remaining peat forests in Riau and Aceh provinces for the period of three years. These approved Rp. 23,237,739,000 (US\$ 2,581,971) grants marked TFCA-Sumatera's first grant cycle to achieve the set target as mentioned in the objectives.

Evaluation of 17 grantees from the first three cycles, showed the following achievements up to the end of 2014:

1. Some TFCA-Sumatera interventions have led to the achievement of Objective 1 which contribute to the effective conservation of 1,658,775 ha across 10 out of 13 prioritized landscapes. These interventions include facilitating several activities at site level, such as Community Based Forest Management, development of Management Plans, Boundary marking, degraded habitat restoration, forest patrol, etc. This achievement is strengthened by the successful facilitation of development of local based integrated economic–conservation activities, such as ecotourism, organic farming, animal husbandry, agroforestry, horticulture, handicrafts, freshwater fisheries, nurseries, medicinal plants, and credit unions.

2. Objective 2 of the strategic plan was achieved through some interventions, such as the establishment and operationalization of 2 elephant–human conflict response and mitigation centers on Gunung Leuser and Tesso Nilo National Parks. In addition, establishment and operationalization of 4 community based tiger–human conflict response and mitigation teams in Bukit Tiga Puluh, Kerinci Seblat, Berbak, and Bukit Barisan Selatan National Parks, and establishment and operationalization of 16 wildlife monitoring teams (tiger and rhino) were also accomplished to support the achievement of the objective.
3. Achievements towards Objective 3 was supported by the establishment of 98 restoration/ rehabilitation groups with more than 900 local people initiated restoration of 50,464 ha forest area across 6 prioritized landscapes. In addition, seven private companies have committed and participated in conservation, in Kampar peninsula and in Tesso Nilo National Park. The establishment and operational of 26 collaborative patrol teams (involving staff from National Park, KSDA, Forestry Service, and local communities) has helped protecting 237,700 ha of forests. Facilitation the development of 3 Pico-hydro power plants, and 4 local ecotourism facilities has also contributed to the achievement of this objective.

In addition to these quantitative achievements, some indirect qualitative impacts such as increase and improvement in the capacity of the NGOs in project design, management and project administration have also been resulted. The NGOs are also more confident and reliable in managing relatively large grants. Improvements have also occurred in other areas affecting local stakeholders, including local communities, local government and private sector for the buy-in, relationship and even engagement with the TFCA project and improved awareness about conservation. The local government, especially at the district level, is grateful to TFCA grantees, especially with the improvement of spatial planning development. TFCA supports government capacity building in undertaking a mandatory Strategic Environmental Assessment (*Kajian Lingkungan Hidup Strategis*), which has made local governments more confident in developing spatial planning in accordance with the law on spatial planning. Improved value chains for local products have also been achieved in some of the TFCA projects by bringing the market closer to the producer. In this regard the added value of the local products increases as the value chain is made shorter by removing unnecessary middle men. These achievements will certainly contribute to conservation and its sustainability.

Issues to be addressed

There are four identified key issues which must be addressed by TFCA-Sumatera and its grantees in the next five years. These issues relate to: institutions and policies, landscapes conservation and protection, endangered species conservation and protection, and local community development. In general these issues are as follows:

- 1. Institutions and policies.** Overlapping policies, and institutional weaknesses including lack of engagement by local government and the private sector in conservation measures are among those which need to be addressed by TFCA-Sumatera. Inappropriate policies and governance may have also induced landscape level problems.
- 2. Landscapes conservation and protection.** This is central issue for conservation because all problems have landscape-level implications. This is where human activities exist and where the impacts are. Sumatra suffers very much from deforestation, forest degradation and other unsustainable land uses.
- 3. Endangered species conservation and protection.** Declining populations of most species is attributable to habitat loss and trade (including poaching). Therefore, these issues are highly correlated with landscape degradation issues. Illegal trade and wildlife crime also contributes significantly to population decline.
- 4. Local community development.** Successful conservation action in Sumatra depends largely on local peoples' involvement. Poverty and lack of education are often blamed as some of the main drivers of forest degradation and wildlife poaching.

These four issues are associated with two main forest conservation problems in Sumatra. These include: i) unprecedented loss of forest cover and associated forest biodiversity, and ii) declining population of Sumatran key endangered species.

Unprecedented deforestation and forest degradation in Sumatra have been occurring at an alarming rate. Between 1985 and 2007 Sumatra lost 12 million ha of forest cover, or equal to 48 % just within 22 years due to forest conversion, illegal logging, and fires. This figure suggests that Sumatra has contributed 22.8% to the total national deforestation in Indonesia. With regard to declining population, large mammals of Sumatra, notably elephant, rhinoceros, tiger and orangutan,

are the animals most affected by human-induced habitat loss in Sumatra, as these mammals are dependent on forests and require large and intact habitat. Problems associated with these animals such as human-wildlife conflict indicates the unhealthy condition of the forest as the prime habitat of these species. Halting or substantially reducing habitat conversion will be the key to changing this trend. Habitat loss, along with poaching and associated illegal trade are quickly becoming critical threats to the survival of many globally endangered species, not only to in particular large and rare mammals, but also to less endangered species.

Vision, Mission and Objectives

Referring to the Forest Conservation Agreement, in which TFCA-Sumatera should achieve a meaningful and significant conservation impacts on forest in Sumatra, 2015-2020 Strategic Plan of TFCA Sumatera adopts the following vision:

“CONSERVATION OF TROPICAL FOREST BIODIVERSITY TO SUPPORT SUSTAINABLE DEVELOPMENT IN SUMATRA”

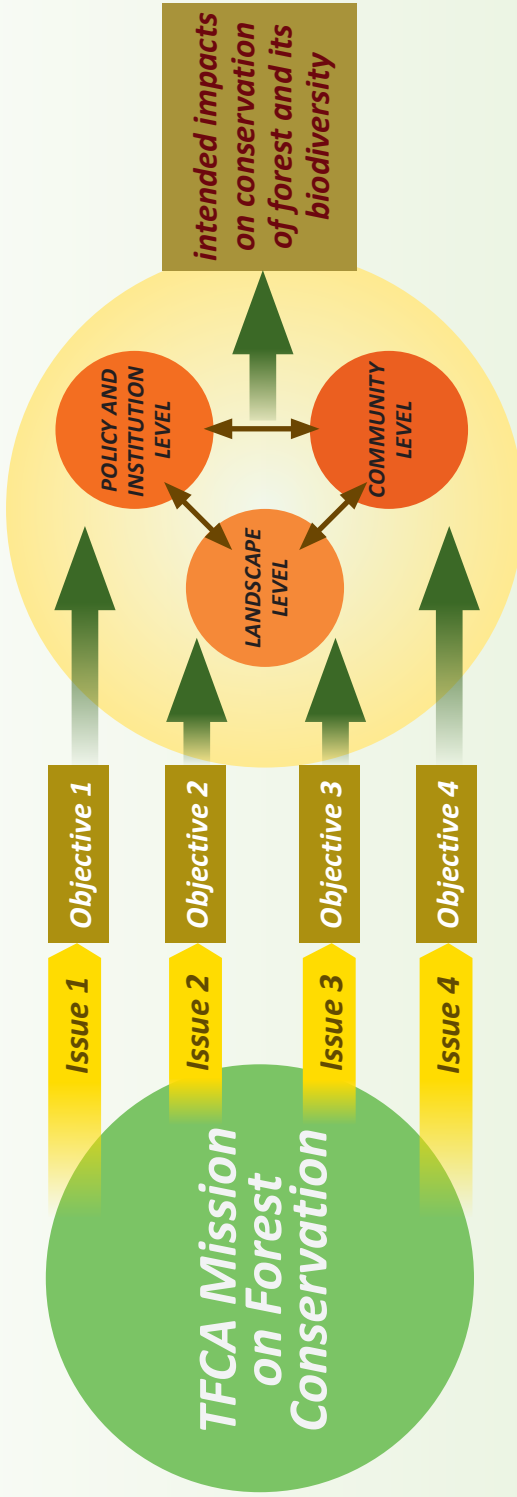
Directly derived from the Forest Conservation Agreement, the mission of TFCA-Sumatera is to:

“Facilitate the conservation, protection, restoration, and sustainable use of tropical forests in Sumatra”

In order to accomplish the mission, and to deal with the four key issues to be addressed, TFCA Sumatra will work through four key objectives as follows:

1. Strengthening institutions and policies at all administrative levels and stakeholders. This includes community and private sector engagement to improve the effectiveness of forest and endangered wildlife management and to ensure the sustainability of forest resources;
2. Strengthening management intervention practices at the landscape level to maintain, protect and enhance ecological functions of the forest, to reduce deforestation and forest degradation and to ecologically restore degraded forests;
3. Ensuring long-term survival and viable populations of key endangered and flagship species, including Sumatran tiger (*Panthera tigris sumatrae*), Sumatran Rhinoceros (*Dicerorhinus sumatrensis*), Sumatran Orangutan (*Pongo abelii*), and Sumatran Elephant (*Elephas maximus sumatranus*);

INTERVENTION LEVEL



4. Empowering local communities, enhancing welfare and livelihoods, and devising incentives for their involvement in conservation, protection and management of forests

TFCA will translate the above mentioned four objectives into intervention actions at appropriate intervention levels as follows:

- i. institutional and policy level,
- ii. landscape (including forest, habitat and species population) level; and
- iii. community level.

Relationship between mission, issues, objectives, intervention levels and intended impacts can be depicted as seen in the following chart.



Logical Framework

To further elaborate the above inter-relationship into activities and their outcomes, a logical framework (logframe), as seen in the following table is developed.

Table 1. The Logical Framework for TFCA Sumatra Program

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES
Component 1: STRENGTHENING CONSERVATION POLICY & INSTITUTION			
2 million ha of forest (including protected areas) will be effectively managed and or protected	Strengthening institutions and policies at all levels: community and private sector	Conservation institutions and policies are developed and strengthened	Developing ecologically based spatial plans; Proposing new or extension of conservation areas; Enhancing management capacity of conservation areas; Strengthening coordination and collaboration among stakeholders; Implementing Resort Based Management scheme; Advocacy and Developing policies and regulation on forest/ habitat and species protection; Enhancing policy and institutions for law enforcement on combating forest and wildlife crimes;
Component 2: STRENGTHENING FOREST LANDSCAPES CONSERVATION			
	Strengthening management intervention practices at the landscape level to maintain, protect and enhance ecological functions of the forest, to reduce deforestation and forest degradation and to ecologically restore degraded forests	Forest landscapes are effectively protected, deforestation and forest degradation are reduced, and degraded forests are restored	Implementing ecosystem restoration schemes; Strengthening collaborative forest/protected area protection; Participatory boundary marking; Implementation of forest industrial best practices; Establishing CBFM
Component 3: MAINTAINING AND SUPPORTING LONG TERM SURVIVAL AND VIABLE POPULATION OF ENDANGERED SPECIES			

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES
	Ensuring long-term survival and viable population of Sumatran key-endangered and flagship species, which include Sumatran tiger (<i>Panthera tigris sumatrae</i>), Sumatran Rhinoceros (<i>Dicerorhinus sumatrensis</i>), Sumatran Elephant (<i>Elephas maximus sumatranus</i>) and Sumatran Orangutan (<i>Pongo abelii</i>) and strengthening the protection of habitat to ensure its integrity, availability, connectivity, and diversity within and outside the protected areas	Habitat of endangered species, including tiger, rhinoceros, orangutan and elephant and their connectivity are secured, improved and maintained; Population of endangered species, including tiger, rhinoceros, orangutan and elephants stabilized or increased	Increasing habitat protection; Implementing habitat and ecosystem management and restoration; Developing and maintaining habitat and ecosystem connectivity (wildlife corridor); Eradicating invasive species; Increasing viability of sub-populations; Reducing vulnerability to extinction; Collecting and Maintaining data and information on species; Establishing or improving ex-situ conservation facilities; Supporting research or studies on reproductive and pathological issues;
		Wildlife crimes and human-wildlife conflicts significantly reduced	Supporting law enforcement undertaking by the law enforcement agencies; Supporting human-wildlife conflict mitigation
Component 4: ENHANCING LOCAL COMMUNITY LIVELIHOOD			
	Empowering local communities, enhancing welfare and livelihood, and devising incentives for their involvement in conservation, protection and management of forests	Welfare of the local community is enhanced to enable supporting conservation	Increasing awareness, education and outreach; Enhancing local economy; Enhancing green economic practices to improve community's livelihood; Increasing market access for several primary products; Developing local-based financing schemes; Increasing private sectors engagement in local-based economic development; Fulfilling green energy and electricity

Intended Results

TFCA-Sumatera sets the targeted conservation results in undertaking conservation activities through provision of grants to the eligible organizations. The following table shows the intended results for each of strategic intervention.

STRATEGIC INTERVENTIONS	INTENDED RESULTS
POLICY & INSTITUTIONAL STRENGTHENING	A minimum of 2million ha of forests (including protected areas) will be effectively managed and or protected through direct intervention at landscape level such as forest protection, implementation of best management practices, forest patrols, and development of policies and institutions which directly support sustainable forest management.
LANDSCAPE AND SPECIES CONSERVATION	Contribution to the reduction of deforestation and forest degradation by minimum 10% at the prioritized landscapes (in accordance with the target as outlined in the above-mentioned paragraph 1) Secure at least 800,000 ha of habitat of endangered species which contains viable population of tiger, rhinoceros, orangutan and elephant. In general, contribute to the reduction of population decline of tiger, rhinoceros, orangutan and elephant by at least by 50% of the current rate and stabilize the viable population in their current available geographical range
COMMUNITY DEVELOPMENT	Increase household incomes by 10% [annually]at some of the targetted areas and Improve at least 10 community groups in economic capacity, which directly or indirectly have positive impacts on conservation.

Approaches

In the grant making implementation, TFCA Sumatera will adopt approaches and strategies, as follows:

1. Adopting a strategic approach to achieve the key objectives by conducting conservation interventions at three levels of intervention as has been mentioned previously.
2. Supporting and linking to National and International Conservation Priorities, as it has been done in the past, and TFCA-Sumatera will continue to support and link to national conservation priorities.
3. Combating wildlife crime, including by as appropriate and where applicable supporting the implementation of **the Memorandum of Understanding between the Government of Indonesia and the United States Government on Conserving Wildlife and Combating Wildlife Trafficking and its action plan.**
4. Strengthening Private Sector Engagement.
5. Building Synergy with Wider Conservation Efforts, including other donors to build synergies in order to achieve more significant conservation impacts.
6. Ensuring Sustainability of Conservation Programs and Projects in which the activities, functions or benefits of the project will continue long after the project terminates.
7. Linking to National and Local Government Priorities, including through supporting the development and implementation of ecologically sound spatial plans and supporting the achievement of Government's Key Performance Indicators (KPI).
8. Capacity Building for NGOs and Other Conservation Communities, where capacity building is part of institutional development for the grantees.

Grant Making Strategy

To manage the more complex grant making in the future, TFCA-Sumatera adopts strategies on grant making process improvement. In addition, as to increase the social and environmental responsibility in the grant making, TFCA-Sumatera will

adopt safeguard on social and environment.

1. Improve Grant Making Process

- a. Improve grantees' governance
- b. Improve proposal solicitation and grant making process
 - *Continue to solicit proposals through request for proposal/concept paper*
 - *Solicitation through designated (targeted) grantees*
 - *Solicitation through designated (targeted) activities/issues*
- c. Expand the schedule of proposal solicitation to include off cycle or unscheduled proposal solicitation
- d. Include wide range of grant sizes: large, medium and small grants
- e. Allow sub-granting
- d. Possible modification of existing grants
- e. Possible awarding additional Grant to an Existing Grantee
- f. Strengthen Monitoring, Evaluation, and Capacity Building

2. Apply Social and Environmental Safeguards

The TFCA-Sumatera program supports biodiversity conservation efforts, sustainable development, environmental protection, support of human right implementation, gender mainstreaming and social equality and implementation of good natural resources management governance. On that basis TFCA Sumatera develops and adopts environment and social safeguard mechanisms in its program implementation. These safeguards aim to avoid risks and reduce various negative social and environmental impacts of the TFCA-Sumatera program implementation. The safeguards are also important to increase social, economic and environmental benefits to the local stakeholders and beneficiaries and the sustainability of the conservation measures at the community level. Detailed guidelines and indicators on social and environmental safeguards will be presented in separate document.

Communication and Outreach Strategy

As an integral part of the TFCA governance and management, communication and outreach must be developed with the main objective to show wider audiences the importance of conservation actions in Sumatra through increasing the visibility of the TFCA program, informing relevant stakeholders and assisting the solicitation of support for the program. This will in turn help grantees and the Administrator to: (1) increase the visibility of the program and to inform general audiences (the public) about the program; (2) inform special stakeholders and solicit support from relevant parties; (3) document and share all lessons from the implementation of the program; and (4) develop policy recommendations and directives for the local and national governments or private sector as appropriate;



Chapter 1 ***INTRODUCTION***



1.1. Background



The Governments of the U. S. and Indonesia signed a debt-for-nature swap agreement on June 30, 2009 that will reduce Indonesia's debt payments to the U.S. by \$30 million over eight years. In return, the Government of Indonesia will commit these funds to support grants to protect and restore tropical forests in Sumatra. These payments stay in the country rather than being paid to the United States. The agreement was made possible through contributions of \$20 million by the U.S. Government under the Tropical Forest Conservation Act of 1998 and a combined swap partners' donation of \$2 million from Conservation International and the Indonesian Biodiversity Foundation (Yayasan Keanekaragaman Hayati Indonesia, or KEHATI). This unique partnership among governments and non-governmental organizations was the first, of now two TFCA deals, in Indonesia.

Year 2010 was a foundational year for TFCA-Sumatera in which the groundwork was laid for sound program implementation. The Oversight Committee, with the support of the Administrator, developed a strategic plan, programmatic policies and procedures, and an investment policy. The Administrator conducted several consultative workshops in key areas of Sumatra, and facilitated proposal writing and project design meetings with potential grantees. To date TFCA-Sumatera has disbursed approximately IDR 84 billion or about US\$ 9.3 million to 53 NGOs arranged within 22 consortiums or projects. Over the last four years, the program has helped increase grantees' capacity to implement the program effectively.

TFCA-Sumatera in its works promotes an integrated and collaborative approach to implement the protection and conservation of Sumatran Tropical forests and biodiversity, focusing on intervention at three levels: 1) institution and policy, 2) landscape and species, and 3) community participation, livelihood and local socio-economic incentives. These intervention levels are in line with three TFCA-Sumatera main objectives from the 2010-2015 Strategic Plan, which expires in 2015..

Following the negotiation process on TFCA-Sumatera augmentation, the Parties which consist of the Government of Indonesia (GOI), United States Government (USG), KEHATI and Conservation International (CI) agreed on the 29th of September 2014 to amend the following TFCA agreements: Debt Swap Agreement, Forest Conservation Agreement and Swap Fee Agreement. With the signing of these amended agreements, TFCA-Sumatera will manage an additional fund of about US\$ 12.68 million on top of the existing TFCA-Sumatera fund. The additional fund is specifically dedicated to the conservation of endangered and charismatic species of Sumatra, notably rhinoceros and tiger, while also benefiting other species including orangutan and their associated habitats. The new obligation by the GOI is scheduled to conclude on 18th August 2021.

As the amendment of the agreements to expand the mandate of TFCA-Sumatera is coincident with the expiration of the 2010-2015 Strategic plan, it is necessary to develop a new strategic plan, which will cover all the changes, including lessons learned, from the implementation of the previous strategic plan. Therefore, this strategic plan covers all plans of action, which will be financed through the currently available TFCA-Sumatera funds and the additional funds for Sumatran tiger and Sumatran rhinoceros which will benefit other species, as contained in the amended TFCA agreements. This strategic plan is important to guide the Oversight Committee and Administrator in the management of grant making and to guide the local organizations to develop conservation activities.

1.2. The Importance of Sumatran Forest for Conservation

1.2.1. Unprecedented and Unpredictable Loss of Forest Cover and Associated Biodiversity

Sumatra is a global biodiversity hot spot, meaning that this area is one of the Sunda Shelf's conservation priority areas. It is also one of the 34 places on the



Figure 1. Loss of Natural Forest Cover from 1985-2009 (WWF, 2010)

ECOLOGICAL GAPS OF PROTECTED AREAS IN SUMATRA

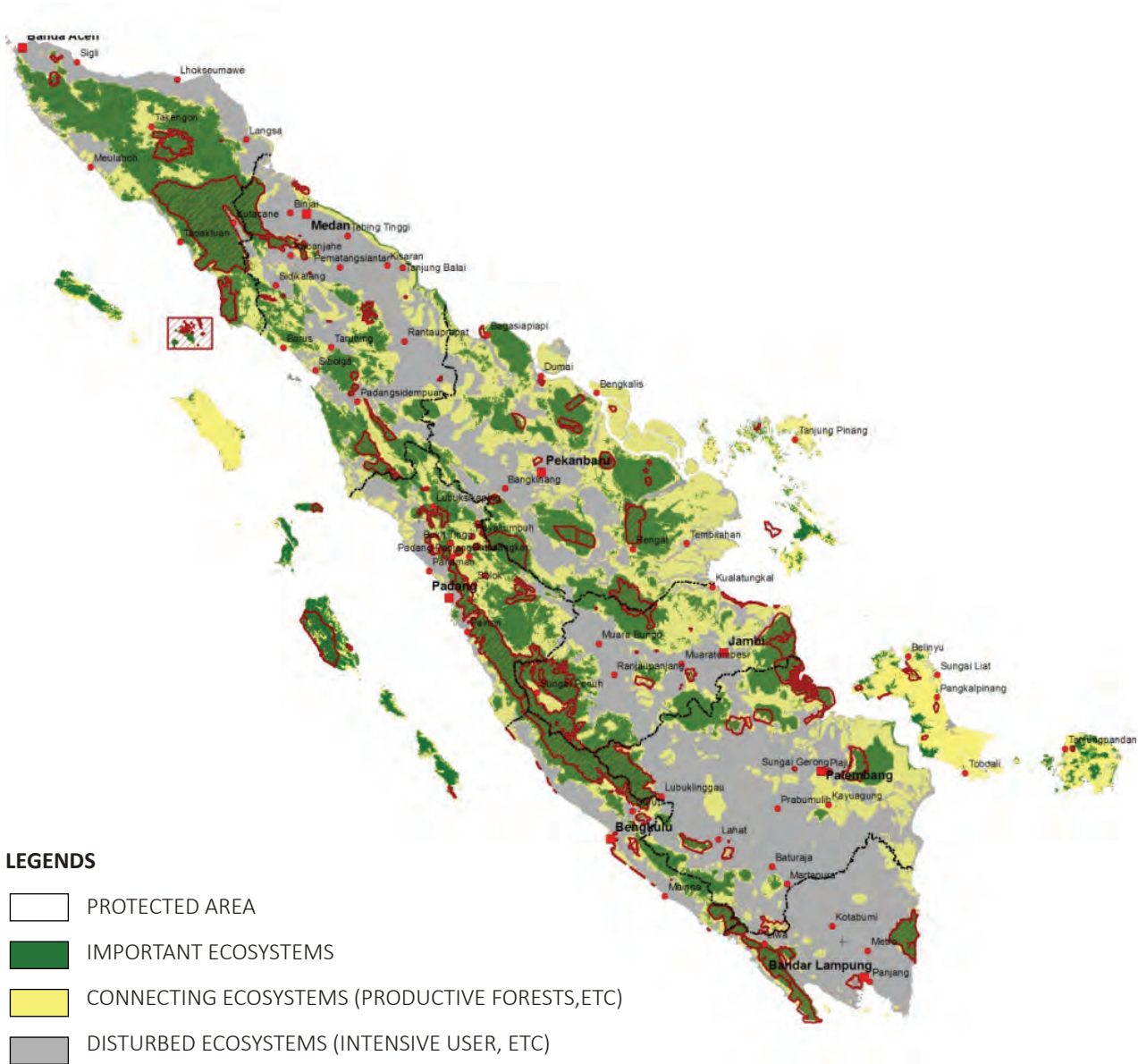


Figure 2. Existing Forest Cover, where Important Ecosystems (dark green) will still play important conservation roles when connected with buffer and connectivity ecosystems (light green) (Ministry of Forestry and Ministry of Marine Affairs and Fisheries, 2010: Ecological Gap Analysis)

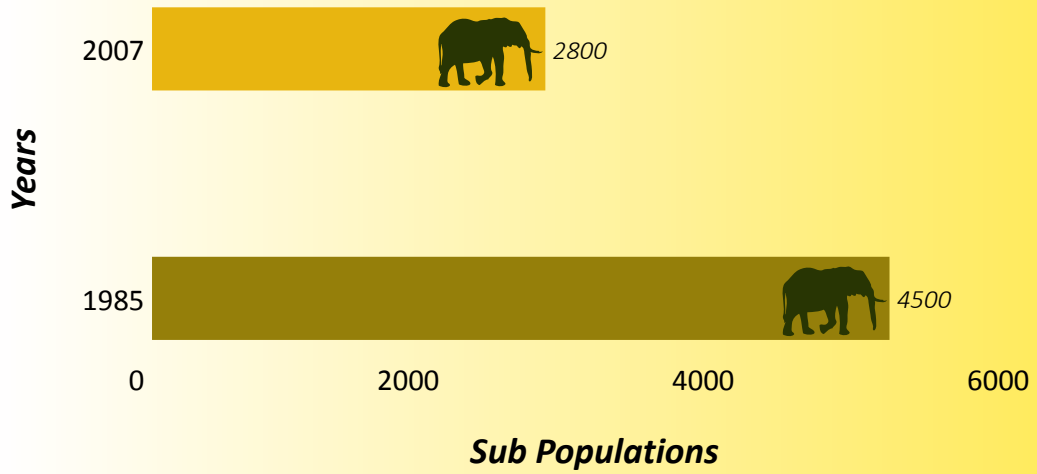
planet that has immense biodiversity and high level of endemism while also facing severe pressures causing a very high loss in biodiversity. Unprecedented deforestation and forest degradation in Sumatra have been occurring at an alarming rate. Between 1985 and 2007, Sumatra lost 12 million ha of forest cover, or equal to 48% of its 1985 figure just within 22 years due to forest conversion, illegal logging, and fires. This figure suggests that Sumatra has contributed 22.8% to the total national deforestation in Indonesia (1.17 million ha/year). Despite the minimum requirement of 30% forest cover (according Forestry Law No. 41 of 1999) to enable its function for life support systems and protecting important biodiversity, the current remaining forest cover in Sumatra is now only 29%. Furthermore, most of the remaining primary forests are located on highland areas contained in protected areas and with relatively low level of biodiversity richness compared to those of the lowlands. For comparison, research by Margono *et al* (2014) shows primary (intact and degraded) forest cover loss of 2.8 million ha during 2001-2012 or about 238,000 ha annually.

The rapid change in forest cover in Sumatra may be seen in the map of Figure 1. Twenty-five million hectares of natural forest covered Sumatra in 1985, spreading across 58% of the main island. By 2008/9, 23 years later, half of the forest (12.5 million hectares) had been cleared. The remaining forest cover of Sumatra up to 2008/9 was calculated only 29% (12.8 million hectares).

Protection and conservation efforts of biodiversity in Indonesia, including in Sumatra, have been ongoing for decades. The Government of Indonesia has spent substantial financial and human resources to manage protected areas, as well as additional funds obtained from international support through bilateral and multilateral cooperation, including through national and international NGOs. To date, the Government of Indonesia has established 134 protected area units in Sumatra, with a total area of more than 5.7 million ha, more than 60% (3.882.218, 48 ha) of which are contained within 11 National Parks. Figure 2 also depicts the position of the protected areas relative to important ecosystems. It is clear from the figure below that important ecosystems are largely unprotected within protected areas systems.

Recent gap analysis on ecological representativeness within protected areas demonstrates that many important ecosystems are located outside the protected area boundaries. Furthermore, most of the important ecosystems in the lowlands lay outside of protected areas systems. Figure 2 shows the 2010 forest cover of Sumatra taken from the above gap analysis (Ministry of Forestry and Ministry of Marine Affairs and Fisheries, 2010). Therefore saving the remaining forest patches

Elephant Population Trends



Elephant Distribution History

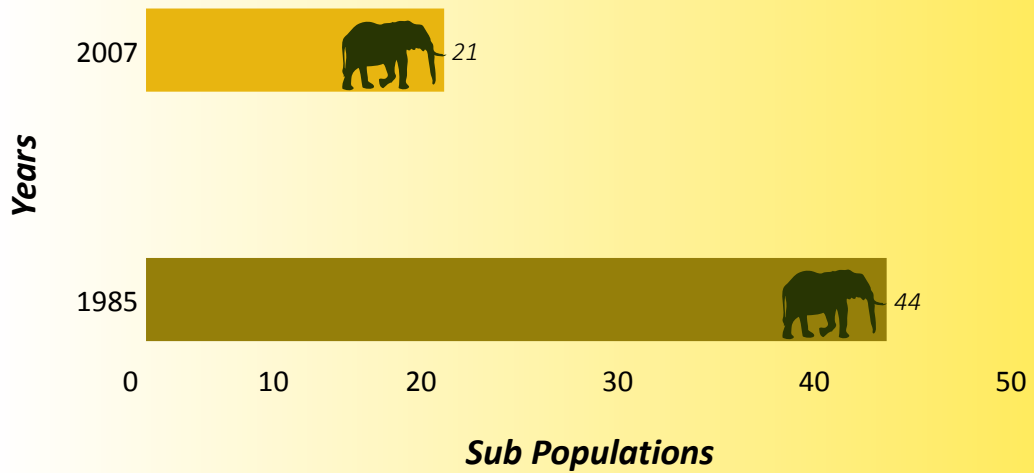
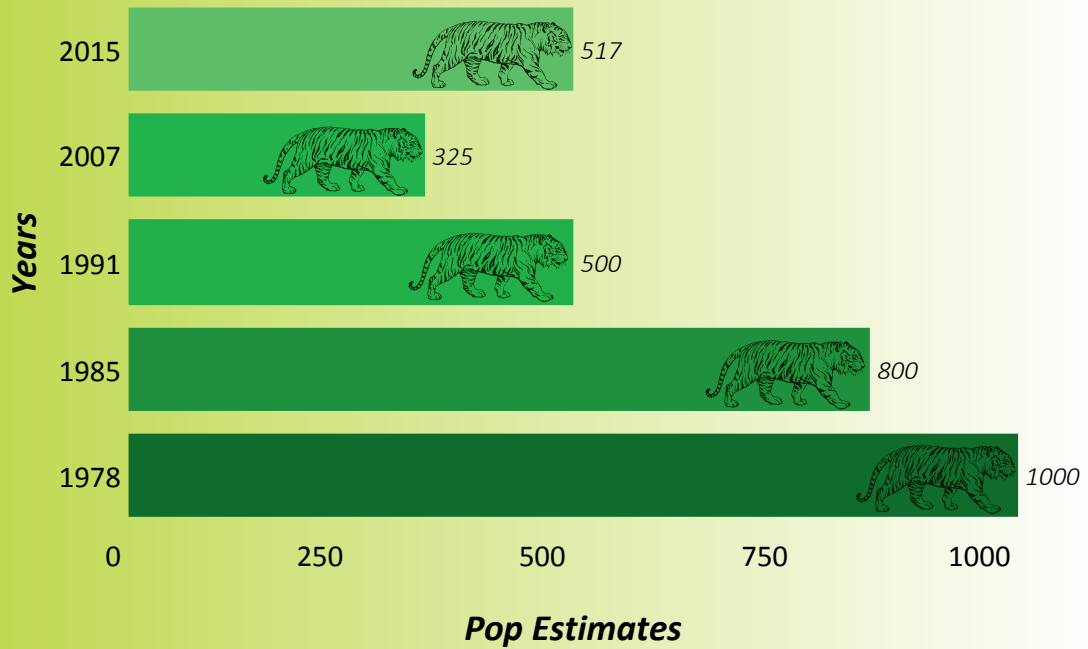


Figure 3. Declining Population and Number of Sub-Populations of Elephant in Sumatra

Tiger Population Trends



Tiger Distribution History

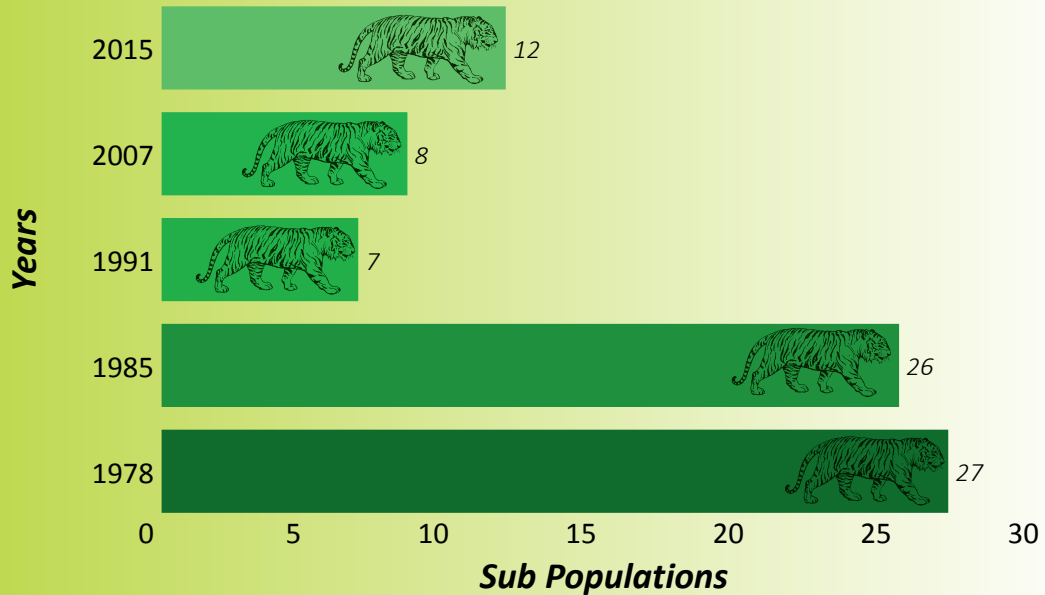
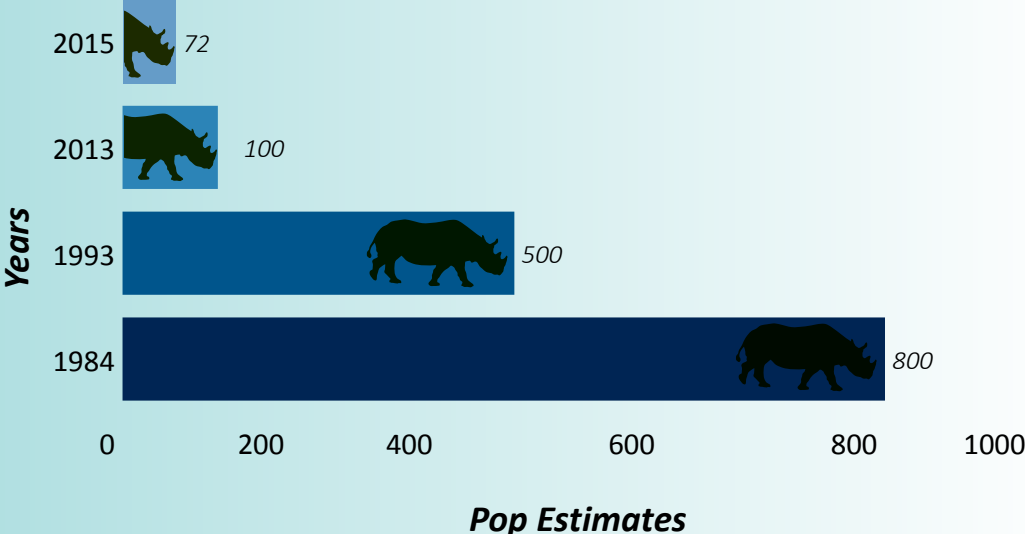


Figure 4. Sumatran Tiger population trend and distribution history (number of sub populations) between 1984 – 2015 (Kemenhut, 2007; & PHVA, 2015)

Rhino Population Trends



Rhino Distribution History

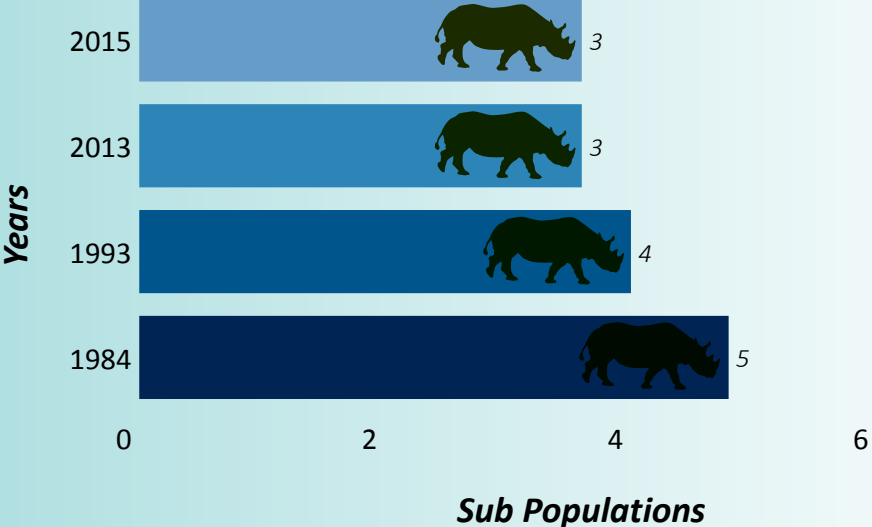


Figure 5. Sumatran Rhino population trend and distribution history (number of sub populations) between 1984 – 2015 (Nardelli, 2014 & PHVA, 2015)

of Sumatra, either within or outside protected areas, is highly desirable. This could be conducted by extending the existing protected areas or establishing new ones as well as by implementing sustainable forest management system, to improve biodiversity and ecological services protection.

1.2.2. Declining Population of Sumatran Charismatic Species

Large mammals of Sumatra, notably elephant, rhinoceros, tiger and orangutan, are the animals most affected by human-induced habitat lost in Sumatra, as these mammals are dependent on forests and require large and intact habitat. Habitat loss and fragmentation has created human-wildlife conflict which has been escalated and has become commonplace during the last two decades. Halting or substantially reducing habitat conversion will be key to change this trend. Habitat loss, along with poaching and associated illegal trade are quickly becoming critical threats to the survival of many globally endangered species, in particular to large and rare mammals such as the Sumatran tiger (*Panthera tigris sumatrae*) and Sumatran elephant (*Elephas maximus sumatrensis*), but also to less endangered species such as the slow lorries (*Nicticebus coucang*), pangolin (*Manis javanica*), pythons (*Python* spp.) and hornbill (Bucerotidae). The numerous cases from countries all over the world demonstrate the severity of human-wildlife conflict and suggest that an in-depth analysis is essential to understand the problem and support the conservation prospects of threatened and potentially endangered species. In the past 25 years, there has been a clear correlation between deforestation and declining wildlife populations, largely thought to be due to an increase in human-wildlife conflict as animals are driven from their disappearing forest habitats and have become easier to kill or poach. As a result, some populations have become doomed to eventual extinction as isolation and limited genetic diversity prevents them from reproducing and maintaining stable populations.

With regard to the Sumatran elephant, in the mid 1980s, when about 50% of Sumatra's natural forest still remained, elephant populations persisted in 44 discrete populations in all of the island's eight provinces (Hedges *et al.* 2005). In 1985, an island-wide rapid survey suggested that between 2,800 and 4,800 elephants lived in the wild in 44 ranges in all eight mainland provinces of Sumatra (Blouch and Haryanto 1984). Riau Province was believed to have the largest elephant population in Sumatra. But, elephant numbers may have subsequently declined as much as 84% in this province. There has been a huge decline in elephant numbers – from an estimated 1,067-1,617 in 1984 to possibly as few as 210 individuals today (WWF, 2012). If this trend continues and the largest remaining elephant forests such as Tesso Nilo are not protected, Riau's wild elephant population will

Orangutan population decline over a century

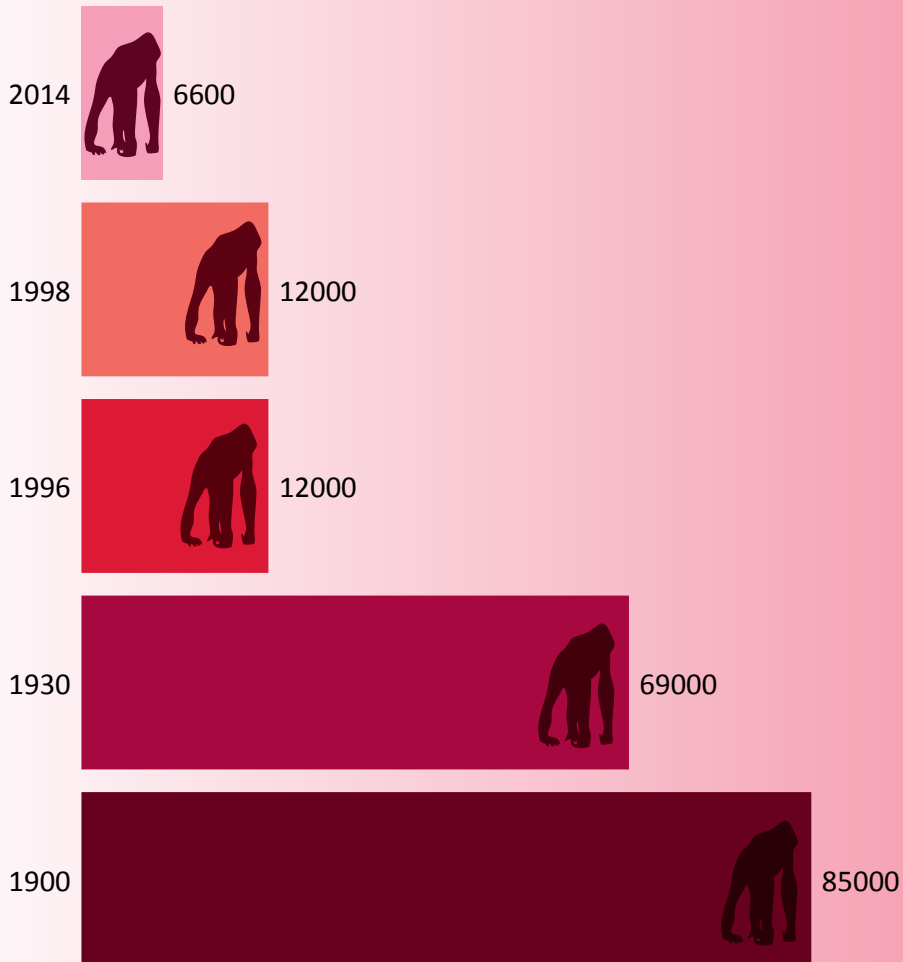


Figure 6. Declining Number of Orangutan in Sumatra since 1900

face extinction. The estimated remaining population in Sumatra is between 2400-2800 animals, but this number is probably too optimistic as it has been cited for many years despite the fact that large parts of elephant habitat have been destroyed in the meantime. In 2012, the Sumatran elephant was changed from “Endangered” to “Critically Endangered” because half of its population has been lost in one generation—a decline that is largely due to habitat loss and as a result of human-elephant conflict. Sumatra has experienced one of the highest rates of deforestation within the Asian elephant’s range, which has resulted in local extinctions of elephants in many areas. Figure 3 below depicts the sharp changes in population and distribution of elephants in Sumatra from 1985 to 2007.

The Sumatran tiger is the smallest surviving tiger subspecies, but despite increased efforts in tiger conservation—including law enforcement and anti-poaching capacity—a substantial market remains in Sumatra and the rest of Asia for tiger parts and products. Sumatran tigers are quickly losing their habitat and prey, and poaching shows no sign of decline. Similar to elephants in Riau, the Sumatran tiger population in this province has declined by 70% in 25 years, from 640 to 192 today. Today, the last of Indonesia’s tigers—fewer than 400 animals—are holding on for survival in the remaining patches of forests on the island of Sumatra. According to a survey from TRAFFIC, the global wildlife trade monitoring network, poaching for trade is responsible for over 78% of estimated Sumatran tiger deaths—consisting of at least 40 animals per year. Habitat destruction forces tigers into settled areas in search of food, where they are more likely to come into conflict with people. Human-tiger conflict is a serious problem in Sumatra. People have been killed or wounded, and livestock fall prey to tigers and retaliatory action by villagers can result in the killing of tigers. The tiger population trends over the last 30 years may be seen in Figure 4.

With regard to the Sumatran rhinoceros, the population size is critically low. The Sumatran Rhino Crisis Summit opened with the shocking news that rather than 130-190 Sumatran rhinos as previously estimated, there are in fact fewer than 100 individual animals. Population trend numbers have halved over the last decade, although this decline appears to have been slowed and numbers seem to be stabilizing in most of the core areas. This fact necessitates an urgent response to come up with a series of initiatives to save the rhinos through an emergency plan. The Sumatran rhino (*Dicerorhinus sumatrensis*) is very close to extinction in Indonesia (Nardelli 2014). Three major *ad hoc* meetings, to discuss ways to save the Sumatran rhino were held in 1984, 1993 and 2013. Their targets have never been achieved. Despite the great efforts of the participants and other parties, the

world population of *D. sumatrensis* has collapsed during the last 30 years from over 800 to fewer than 100. The population trend and distribution change of Sumatran Rhinoceros over the last 30 years may be seen in Figure 5.

With regard to the Sumatran orangutan, the most recent estimate for *Pongo abelii* is around 7,300 animals, occupying forests that cover 20 million hectares. However, only 9 million hectares below 1,000 m above sea level harboring permanent orangutan populations remain (WWF, 2008). However, the most reliable number is around 6,600 animals in the wild in Sumatra (Wich et al, 2011). Figure 6 shows the declining number of orangutan over a century from 1900. The current population is distributed in 13 populations over 21 forest blocks. Only 7 of these populations have prospects of long-term viability, with an estimated 250 or more individuals, and only 3 contain over 1,000 orangutans. These 3 populations are found in the Leuser Ecosystem – one of the largest tracts of forest in the northern part of the island, which is also facing numerous human pressures.

1.3. Additional Mandates on Endangered Species Conservation

One of the six authorized purposes under the Forest Conservation Agreement is “the Restoration, protection, or Sustainable Use of diverse animal and plant species”, which include among others, population recovery, habitat protection, habitat restoration, and law enforcement on wildlife crime and habitat encroachment or infringement. At the end of September 2014 the USG, GOI, CI and KEHATI agreed that additional funds of about US\$12 million on top of the currently available funds would be made available for the conservation of Sumatran key endangered species. As mandated in the amended FCA Agreement, the fund is especially allocated for the conservation of Sumatran tiger and Sumatran rhino. But this fund will also be made available for other Sumatran key endangered species, such as Sumatran orangutan, Sumatran elephant and other threatened species.

Parts of the current TFCA-Sumatera’s funds have also been available to support conservation of endangered species, especially those of Sumatran key endangered and charismatic species such as big mammals. Four big mammals, namely Sumatran rhinoceros (*Dicerorhinus sumatrensis*), tiger (*Panthera tigris sumatrae*), elephant (*Elephas maximus sumatraensis*) and orangutan (*Pongo abelii*) are among the species most affected by habitat loss and poaching in Sumatra. These species are therefore top conservation priorities. Species conservation under this expansion consists of integrated activities, with wildlife protection as the main goal while landscape protection, improvement and governance and community welfare and livelihood are the *sine qua non* to achieve this goal. Thus, the grant making strategy

of this additional fund will be built in alignment with the currently available funds. Besides intervention on wildlife population and habitat, wildlife conservation in Sumatra must take into account human-wildlife conflict. In this regard, TFCA-Sumatra should also be able to support an integrated intervention to resolve human-wildlife conflicts and at certain level, law enforcement. In addition to the direct interventions at the population and habitat levels, baseline and monitoring surveys are also necessary in order to obtain information on the population and habitat trends. TFCA Sumatra may also support studies on genetic diversity, and reproductive capacity and pathologies in threatened wildlife species in order to also identify the possible causes of population decline.



Chapter 2
**LESSONS LEARNED FROM 2010-2015
PROGRAM IMPLEMENTATION**



2.1. Early Stages of TFCA-Sumatera



Year 2010 was a foundational year during which TFCA-Sumatera laid the groundwork for sound program implementation. The Oversight Committee, with the support of the Administrator, developed the 2010-2015 Strategic Plan, programmatic policies and procedures, operational procedures and recommendation for the investment policy. The Administrator conducted several consultative workshops in key areas of Sumatra, and facilitated proposal writing and project design meetings with potential grantees. The 2010-2015 Strategic Plan of TFCA-Sumatera, along with associated policy and procedures, provides guidance for the Administrator and Oversight Committee to deliver grants to eligible entities to conduct forest conservation actions in Sumatra. Three key objectives of 2010-2015 Strategic Plan include:

- i. Improving the effectiveness of the management of at least 1 million ha of forests in Sumatra by 2015 in a sustainable manner by the integration of protection, sustainability and utilization of forest biodiversity for the prosperity of local communities;
- ii. Strengthening community participation in the conservation of key wildlife species of Sumatra, including Elephant, Orangutan, Tiger, and Rhinoceros, as well as establishment and/or maintenance of critical habitat connectivity to ensure the long term survival of viable populations; and
- iii. Empowerment of local community in support of reducing the rate of deforestation and ecosystem degradation by at least 26% in the priority landscapes.

The Oversight Committee issued an inaugural TFCA-Sumatera grant solicitation in June 2010 and approved three proposals at the end of the year and two further proposals in early 2011. The grants aimed to improve the protection and management of 835,000 hectares of the most important remaining peat forests in Riau and Aceh provinces for the period of three years. These approved Rp. 23,237,739,000 (US\$ 2,581,971) grants marked TFCA-Sumatera's first grant cycle. In early 2015, TFCA-Sumatera approved the fifth cycle of grants.

2.2. The Current Stage of TFCA-Sumatera's Grant Making Activities and Some Achievements

2.2.1. Grant Making Activities

Since 2010, TFCA-Sumatera has launched five grant cycles and awarded 22 grants. A further six or more grants are in the process of grant settlement. The current projects are distributed almost evenly across 13 priority landscapes in Sumatra as shown in the map of Figure 7. Up to December 2014, the Government of Indonesia has transferred a sum of US\$ 22,331,034.02 as part of its obligation in accordance with the Debt Swap Agreement. Interest earnings generated by the Debt Service Account (DSA) were US\$ 38,226.20, so that total funds received up to December 2014 were US\$ 22,369,260.22. For management expense purposes, withdrawal from the Trust Fund from its establishment until 2014 was US\$ 1,594,368.55. The remittance Fee was US\$ 690.00, the Trust Fund management fee was US\$ 75,643.98 and miscellaneous expenses were US\$ 13,709.36. Table 1. shows the Trust Fund position up to December 2014.



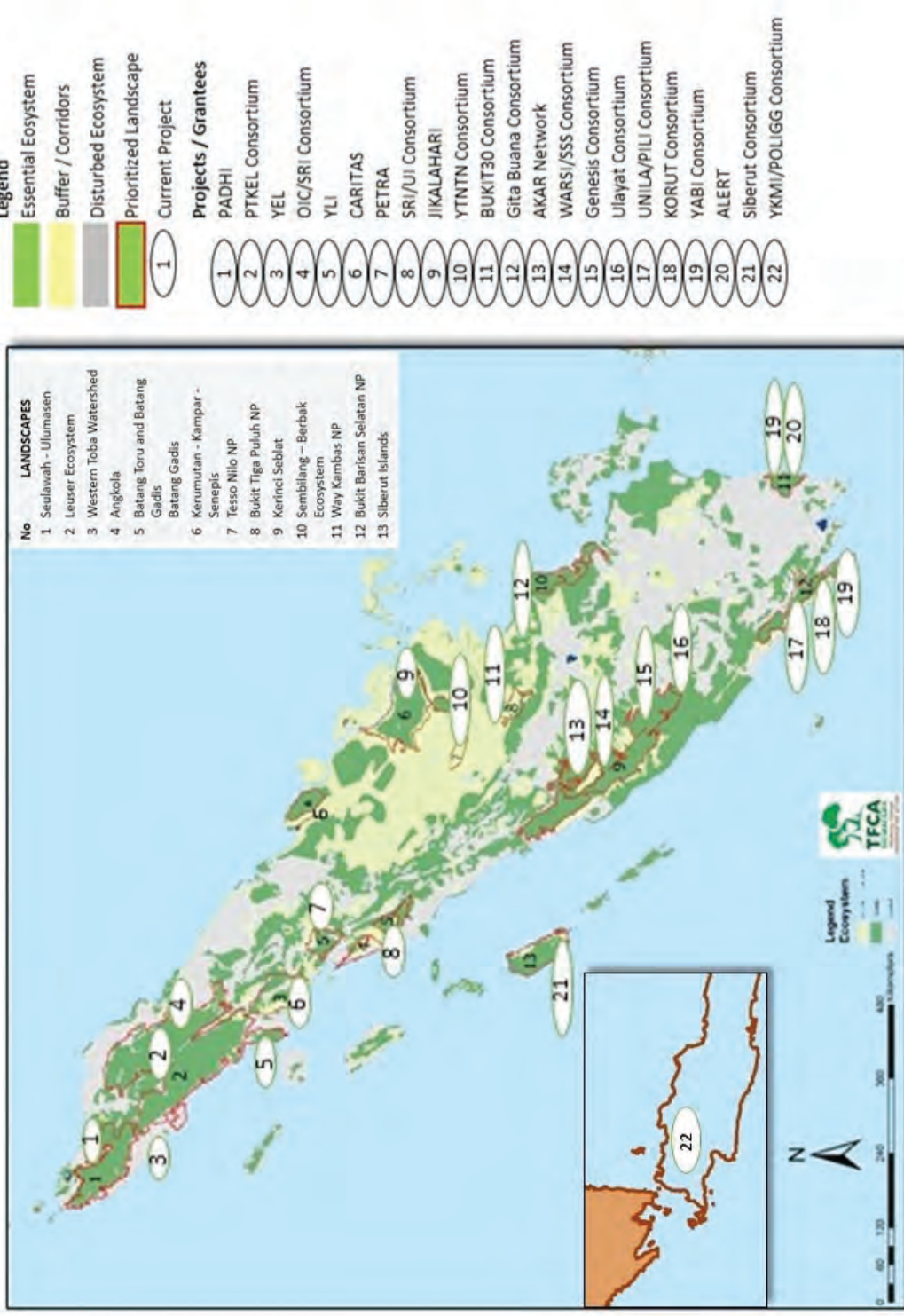


Figure 7. Map of the current 22 Projects of TFCA-Sumatera situated across 13 prioritized landscapes

Table 1. Position of TFCA Funds at Debt Service Account (DSA) as per December 2014 (in US\$)

RECEIVED	
Transfer from GOI	22,331,034,02
Interest	38,226.20
Total Received	22,369,260.22
EXPENSES	
Transfer to Grant Account (BNI '46)	11,134.566,15
Transfer to Management Account (Permata Bank)	1,594.368,55
Annual Trustee Fee	75,643,98
Remittance	690,00
Miscellaneous	13,709,36
Total Expenses	12,818,977.04
Balance at the DSA	9,550,283.18

Up to December 2014, TFCA-Sumatera Program has made commitments to fund 22 projects from four grant making cycles with a total of IDR 109.38 billion committed in 12 out of 13 landscapes between 2011-2017. The OC agreed to grant 6 proponents of the 5th grant cycle in December 2014, and asked the Administrator to assess another 6 proponents for consideration. Under a new grant making policy, TFCA-Sumatera also opened windows of opportunity for smaller size grants and an off-cycle funding process to accommodate funding in immediate and important conservation priorities. Table 2 below shows the summary of TFCA-Sumatera grant making progress, disbursement and investment up to December 2014.



Table 2. Summary of TFCA-Sumatera Grant Making (inUS\$*)

Fund Data	2002-2010	Year				Total
		2011	2012	2013	2014	
No. of proposals submitted	129	39	21	29	31	249
No. of proposals approved	3	9	0	10	6	28
Total approved funding for grants	\$1,634,637	\$ 947,334	\$3,175,969	\$ 3,015,574	\$3,375,702**	\$12,149,216
Total disbursed funding for grants	\$ -	\$ 903,203	\$1,694,867	\$ 3,036,490	\$2,249,557	\$7,884,117
Total of counterpart match (grantee cost-share)	\$331,978	\$-	\$333,384	\$ 795,097	\$ 189,219	\$1,649,678
Other leveraged matches (e.g. co-financing)	\$34,661	\$-	\$403,346	\$48,41	\$-	\$438,055
Total matching funds as % of approved grants	22%	n/a	19.7%	26%	0%	18.8%
Amount spent on management costs	\$277,538	\$309,000	\$306,894	\$441,772.79	\$467,768	\$1,802,973
Investment Income	\$10,840	\$52,275	\$45,287	\$80,006.12	\$144,444	\$332,552.12
Fund balance at the end of the year ***	\$6,041,200	\$8,555,772	\$10,801,319.6	\$8,838,818.52	\$8,667,745	n/a

*) For equal comparison, the exchange rate used is US\$ 1 = IDR 9,000. The actual average exchange rate: 2012=IDR 9,682; 2013=IDR 10,307; 2014=IDR 11,828

**) The budget for the 5th grant cycle grantees is under negotiation process, not included in the total approved funding for grants.

***) Fund balance at the DSA only. For fund balance at FCA Grant Account subtract Total Approved Funding for Grants by Total Disbursed Funding for Grants

2.2.2. Achievements

Evaluation of 17 grantees from the first three cycles, showed the following achievements up to the end of 2014:

1. Achievements towards Objective 1 (Improving the effectiveness of the management of at least 1 million ha of forests in Sumatra by 2015 in a sustainable manner by the integration of protection, sustainability and utilization of forest biodiversity for the prosperity of local communities):
 - a. TFCA-Sumatera interventions have led to conservation impacts on 1,658,775 ha across 10 out of 13 prioritized landscapes by facilitating Community Based Forest Management, the development of Management Plans, Boundary marking, degraded habitat restoration or rehabilitation, forest patrol, and the implementation of Resort Based Management (RBM) of Protected Areas, where resort is the smallest management unit of a protected area, which is at the forefront of most management activities and to which most of the resources (monetary and human) are directed.
 - b. Between 2011-2013, TFCA-Sumatera has been successfully facilitating the establishment, implementation, and strengthening of Community Based Forest Management, including 26 Village Forests, 8 Customary Forests, and 3 Community Forest with a total area of 64,044 ha in Kampar ecosystem, Kerinci Seblat, and Bukit Barisan Selatan national parks.
 - c. TFCA-Sumatera has developed 11 local based integrated economic–conservation activities, namely NTFPs, ecotourism, organic farming, animal husbandry, agroforestry, horticulture, handicrafts, freshwater fisheries, nurseries, medicinal plants, and credit unions. These activities directly involved more than 700 households in 159 local groups, and 13 cooperatives and credit unions.
2. Achievements towards Objective 2 (Strengthening community participation in the conservation of key wildlife species of Sumatra, including elephant, orangutan, tiger, and rhinoceros, as well as establishment and/or maintenance of critical habitat connectivity to ensure the long term survival of viable population):
 - a. The establishment and operationalization of 2 elephant – human conflict response and mitigation centers, equipped with 7 elephants and 12

- mahouts on Gunung Leuser and Tesso Nilo National Parks.
- b. The establishment and operationalization of 4 community based tiger – human conflict response and mitigation teams in Bukit Tiga Puluh, Kerinci Seblat, Berbak, and Bukit Barisan Selatan National Parks.
 - c. The establishment and operationalization of 16 wildlife monitoring teams (tiger and rhino). Recently, the teams identified at least 30 new tigers in Bukit Tiga Puluh national park, 1 new tiger in Kerinci Seblat, and 1 baby rhino in Way Kambas national park. These data contributed to the wild population baseline of those endangered species.
3. Achievements towards Objective 3 (Empowerment of local community in support of the reduction of the rate of deforestation and ecosystem degradation by at least 26%, at the priority landscapes)
- a. The establishment of 98 restoration / rehabilitation groups with more than 900 local people initiated restoration of 50,464 ha area across 6 prioritized landscapes.
 - b. Seven private companies have committed and participated in conservation, including RAPP funds mangrove restoration in Kampar, PT Musim Mas funds for operational of Gondai Flying Squad (elephant conflict response centers) in Tesso Nilo NP.
 - c. The establishment and operational of 26 collaborative patrol teams (involving staff from National Park, KSDA, Forestry Service, and local communities), protecting 237,700 ha of forests.
 - d. TFCA-Sumatera has facilitated the development of 3 Pico-hydro power plants, and 4 local ecotourism facilities.

In general, the overall TFCA-Sumatera performance during the three-years implementation of grants program can be seen in Table 3.

Table 3. Summary of Some Achievements and Indicators up to December 2014

	VOLUME
Project / Grant	
Number of funded programs	22
Number of landscapes where the program operates	12 out of 13
Total grant commitment (Rp)	109,342,948,359
Area of intervention coverage (ha)	1,647,891
Number of conservation areas/ important ecosystems where the program operates	15
Policy & Institutional Development	
Number of policies produced to support conservation (local regulation, Governor regulation, Head of district decree)	9
Number of CBFM Group established and strengthened	38
Landscape Governance & Restoration	
CBFM Area coverage established and strengthened (ha)	67,430
Critical area restored /degraded forest area restored (ha)	50,464
Total coverage area of patrolling activity (ha)	237,000
Length of conservation area boundaries physically demarcated (km)	66
Species Conservation	
Number of Human-Wildlife Mitigation Centers Established	3
Number of Endangered Species Monitoring Team developed (Rhino, Tiger, Elephant)	10
Stakeholders Engagement	
Number of community groups involved (economy, restoration, patrol, CRU)---	125
Number of NGOs involved (grantee consortium members)	53
Number of government institutions involved (at provincial, district, technical implementation unit levels)	30
Number of companies/private sector entitites involved	2
Green Economy & Sustainable Development Activities	
Number of economic institutions developed (Microfinance, Cooperatives)	28
Total micro/pico-hydro power generation in operation	3

	VOLUME
Project / Grant	
Number of funded programs	22
Number of landscapes where the program operates	12 out of 13
Total grant commitment (Rp)	109,342,948,359
Area of intervention coverage (ha)	1,647,891
Number of conservation areas/ important ecosystems where the program operates	15
Number of learning center developed	3

In addition to these quantitative achievements, some indirect qualitative impacts have also resulted. For example, with the continued support from the Administrator, the capacity of the NGOs in project design, management and project administration has been substantially improved. The NGOs are also more confident and reliable in managing relatively large grants. Improvements have also occurred in other areas affecting local stakeholders, including local communities, local government and private sector for the buy-in, relationship and even engagement with the TFCA project and improved awareness about conservation. The local government, especially at the district level, is grateful to TFCA grantees, especially with the improvement of spatial planning development. TFCA supports government capacity building in undertaking a mandatory Strategic Environmental Assessment (*Kajian Lingkungan Hidup Strategis*), which has made local governments more confident in developing spatial planning in accordance with the law on spatial planning.

Improved value chains for local products have also been achieved in some of the TFCA projects by bringing the market closer to the producer. In this regard the added value of the local products increases as the value chain is made shorter by removing unnecessary middle men. These achievements will certainly contribute to conservation and its sustainability.

2.3. Challenges and Opportunities

2.3.1. Challenges

Conservation Challenges

Challenges which may hinder conservation actions on the ground may be addressed at three levels, including policy and institution, landscape and species protection, and community, local government and private sector engagement.

Policy and Institution for Conservation. Governance reform from centralized to decentralized systems has led to a shift of governmental powers from central government to district government, making the Bupati, Head of District (Regency) politically powerful. Forest policy in Indonesia has similarly been decentralized. Experiences from other countries suggest that decentralized systems of forest management often lead to more sustainable and equitable use of forest resources, as decision-makers are physically located closer to where their policies will be implemented. However, decentralization has encouraged an unprecedented race for claims over forest resources in the local districts resulting in conflicts over forest resources. There are also cases of permits overlapping for one particular land parcel. Managing forest resources in a sustainable manner has become an uneasy task. One possibility that might reduce conflicts is the sharing of forest benefits by considering all stakeholders. Increasing the returns from forest at the local level can provide opportunities for more sustainable use. Local governments may start initiatives to generate additional local income from forests via payment for environmental services (PES) including carbon trading through Reducing Emission from Deforestation and forest Degradation (REDD) which will be able to reward individuals, communities, projects and countries that reduce greenhouse gas emissions from forests. At the national level, several laws govern conservation policy in Indonesia. At some levels, these laws provide sufficient conservation measures and guidance to develop implementing policies. However, difficulties have occurred in the implementation of these laws at the site level. For example, the implementation of spatial planning, undertaken based on Spatial Planning law, is often inconsistent with the implementation of forestry or conservation laws. Many provincial and district spatial plans tend to result in further conversion of the existing forest and protected areas. In addition, the conservation laws which place the central government as the authority for conservation management do not strengthen local conservation policies as intended. In many instances, placing conservation responsibility on local governments is simply not possible. This is worsened by the fact that district government is also given the authority to issue concession permits for forestry and mining, so that many cases concession areas (plantation, logging, mining) overlap with protected areas.

Landscape and Species Protection. At the landscape level, forest loss and fragmentation are probably the most crucial challenges facing conservation action in Sumatra. Species population decline is attributed to this problem. Forest conversion, especially for oil palm plantations, is probably the most factor contributing to deforestation and has become the most imminent threat to forest biodiversity conservation in Indonesia. Indonesia's oil palm plantations are largely

concentrated in Sumatra as their development dates back to the Dutch colonial era. Given its long history, oil palm plantation development in Sumatra and its associated infrastructure are more advanced than in any other parts of Indonesia. During the past decade, the palm oil industry has been rapidly developed and has close to doubled in size from 4.2 million ha in 2000 to 8 million ha in 2010. Geographic distribution of oil palm plantations in Indonesia shows that 66% of the plantations are located in Sumatra, 30% in Kalimantan, 3% in Sulawesi, and the rest spread across Indonesia, including Java and Papua. Sumatra and Kalimantan are the major centers for oil palm plantations, and most are located in less than ten out of 32 provinces in Indonesia.

Another challenge for conservation at the landscape level is the lack of baseline data. Data, especially on species population, deforestation, and habitat conditions are incomplete or discrete. This may hinder the establishment of conservation targets on conservation measures.

Community, Local Government and Private Sector Engagement. In the implementation of the TFCA program there are challenges at the community level which need to be addressed by grantees. Community engagement in conservation is usually built through community development or livelihood enhancement by developing the local economy and business. There are many proposals on community development and commercialization of local products. However, most NGO grantees are not knowledgeable about social business and entrepreneurship. Aside from technical issues, many need further capacity building on local people-based business and entrepreneurship. Furthermore, low participation and engagement on conservation by local government occurs in many of the TFCA landscapes. These challenges will be addressed by the TFCA-Sumatera program through posting regional facilitators in three TFCA regions. TFCA-Sumatera will attempt to bridge the communication gap often existing between the private sector and NGOs. Through its regional facilitators TFCA will engage the private sector in forest conservation in close collaboration with local NGOs.

Management Challenges

There are several management challenges encountered by TFCA-Sumatera that need to be addressed in the implementation of the program. These challenges include:

1. Inadequate number of Administrator personnel to perform monitoring and evaluation and capacity building to the grantees related either to programs or administration.

2. Local political situation in some of the project locations, which hinder the achievement of conservation goals.
3. Remote access of the project locations from provincial capitals. Most project sites located in remote areas within average travel time between 4-15 hours using land transportation.
4. In some cases, lack of capacity of the NGO grantees in term of administrative, financial, and programmatic implementation, has caused on low grant absorption and low performance and achievement in some of the projects.

2.3.2. Opportunities

TFCA should take into consideration a number of opportunities to support the implementation of its conservation program in Sumatra. These opportunities include:

1. There are more conservation projects supported by other donors with which TFCA could collaborate or obtain complementary results.
2. The private sector or companies have been more active or responsive and open to work with NGOs to support or even provide support for conservation.
3. Governments have improved policies to support conservation.
4. Capacities of many (at least 58 in 22 consortiums) NGOs have been improved that will enable them to work better with more impactful project design and implementation.
5. Greater support from local communities will help ensure conservation programs are readily implementable at the site level.
6. Conservation (environmental) issues have become one of the local governments' development priorities.

Chapter 3
VISION, MISSIONS AND OBJECTIVES



3.1. Vision

The vision of the TFCA-Sumatera program is directed by the Forest Conservation Agreement, in which TFCA-Sumatera should achieve a meaningful and significant conservation impacts on forest in Sumatra. Under this consideration, 2015-2020 Strategic Plan of TFCA Sumatera adopts the following vision:

***“CONSERVATION OF TROPICAL FOREST
BIODIVERSITY TO SUPPORT SUSTAINABLE
DEVELOPMENT IN SUMATRA”***

3.2. Mission

In line with Forest Conservation Agreement, the mission of TFCA-Sumatera is to **“Facilitate the conservation, protection, restoration, and sustainable use of tropical forests in Sumatra”**

3.3. Key Issues to be Addressed

Based on the identified problems, lessons learned and conservation challenges by TFCA-Sumatera, there are four identified key issues which must be addressed by TFCA-Sumatera and its grantees in the next five years. These issues relate to: institutions and policies, landscapes conservation and protection, endangered species conservation and protection, and local community development. In general these issues are as follows:



- (1) Institutions and policies.** Overlapping policies, and institutional weaknesses including lack of engagement by local government and the private sector in conservation measures are among those which need to be addressed by TFCA-Sumatera. These happen at all levels of governance from the national down to the site level, such as villages. Boundary marking of protected areas, management plans for protected areas and ecologically sound spatial planning at local levels (districts and villages) are among the most important areas of policy and institutions to be prioritized for improvement.
- (2) Landscapes conservation and protection.** This is central issue for conservation because all problems have landscape-level implications. This is where human activities exist and where the impacts are. Sumatra suffers very much from deforestation, forest degradation and other unsustainable land uses. The drivers of deforestation include conversion, encroachment and illegal mining. Inappropriate policies and governance may have also induced landscape level problems. This has led to significant loss of habitat and biodiversity and critically unproductive lands. Some prioritized activities include restoring critical forest areas, forest protection through patrols and increasing forest management effectiveness through the implementation of best management practices and resort-based management of protected areas, among other activities.
- (3) Endangered species conservation and protection.** Declining populations of most species is attributable to habitat loss and trade (including poaching). Therefore, these issues are highly correlated with landscape degradation issues. Habitat loss and fragmentation have led to population decline of most species. In addition, habitat loss and fragmentation has also led to human-wildlife conflicts, especially for large mammals such as elephants, orangutans and tigers. Furthermore, accurate data on population and distribution is not yet in place. Illegal trade and wildlife crime also contributes significantly to population decline. Therefore, priority actions to deal with species-related issues will be directed towards protection of populations and habitat, provision of accurate data, and supporting law enforcement to curb wildlife crime.
- (4) Local community development.** Successful conservation action in Sumatra depends largely on local people involvement. Poverty and lack of education are often blamed as one of the main drivers of forest degradation and wildlife poaching. There have been numerous programs and projects on community development, poverty reduction, livelihood enhancement,

conservation education and other local-based economic development. Successful community-based programs or projects can only be achieved when assistance to the community is carried out intensively and continuously over a relatively long time. Local NGOs are aware of the necessity to increase local communities' livelihoods through development of business activities at the local level. However, many of them are not sufficiently conversant to undertake such works. In this regard, TFCA will undertake capacity building for NGOs and local stakeholders.

3.4. Key Objectives

In order to accomplish the mission, and to deal with the above issues, TFCA Sumatra will work through several key objectives as follows:

Strengthening institutions and policies at all administrative levels and stakeholders. This includes community and private sector engagement to improve the effectiveness of forest and endangered wildlife management and to ensure the sustainability of forest resources;

- (1). Strengthening management intervention practices at the landscape level to maintain, protect and enhance ecological functions of the forest, to reduce deforestation and forest degradation and to ecologically restore degraded forests;
- (2). Ensuring long-term survival and viable populations of key endangered and flagship species, including Sumatran tiger (*Panthera tigris sumatrae*), Sumatran Rhinoceros (*Dicerorhinus sumatrensis*), Sumatran Elephant (*Elephas maximus sumatranus*) and Sumatran Orangutan (*Pongo abelii*). This objective also includes the strengthening of habitat protection to ensure its integrity, availability, connectivity, and diversity within and outside the protected areas;
- (3). Empowering local communities, enhancing welfare and livelihoods, and devising incentives for their involvement in conservation, protection and management of forests

3.5. Intervention Levels

As stated in the mission, Tropical Forest Conservation Action for Sumatra is established to facilitate conservation, protection, restoration, and sustainable use of tropical forests, including their biodiversity in Indonesia. This mission will

be achieved through the implementation of four objectives as outlined above. TFCA will translate these four objectives into intervention actions at appropriate levels. These intervention levels are i) institutional and policy level, ii) landscape (including forest, habitat and species population) level; and iii) community level. The detailed descriptions of these three intervention levels are as follows:

1) Institution and policy level

Interventions at the institution and policy level are important components for successful conservation actions. At the institution and policy level, TFCA-Sumatera must be able to build enabling conditions for conservation. In this regard, intervention must be directed towards institutional and policy strengthening in the forms of, regulation strengthening, capacity building, strengthening of local engagement, and multi-stakeholders collaboration and partnership at sites, district, province or national level and at government, community and private sector (including NGOs) levels;

2) Landscape level

Intervention at the landscape level must be the core of all conservation measures. Landscape level intervention means direct intervention on the ground to protect biodiversity at the ecosystem, species and genetic levels, to protect forest legal areas, and to protect precious Sumatran wildlife populations. The intervention activities may be grouped into two classes which include, but are not limited to:

- a. restoring critical ecosystems, maintaining forests and populations and protecting habitats and species, by means of degraded land restoration, reforestation, regular monitoring and patrol, and the implementation of Best Management Practices; and
- b. protection of certain charismatic, endangered species, namely tiger and rhinoceros and other species, including protection and improvement of their habitats and combating wildlife crime.

3) Community level

The intervention activities at the community level aim to improve the well-being of local communities, by developing the local based economic potential, such as NTFPs, organic farming, environmental services, and biodiversity offsets. This is an important part of conservation measures in which local communities must be an important part and should play

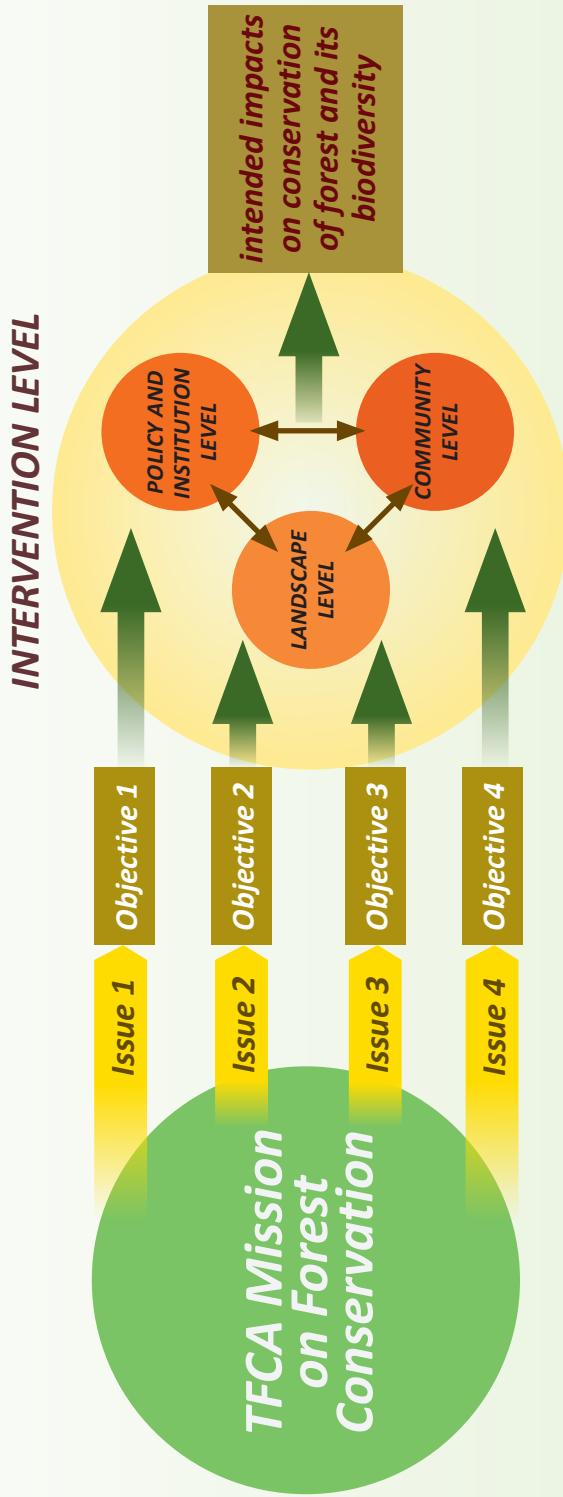


Figure 8. Relationship Between Mission, Objectives and Levels of Intervention on Conservation Impacts by TFCA-Sumatara

important roles in conservation. Experience has shown that without substantial involvement of local communities, conservation measures would be far from successful.

These three levels of intervention must be applied and implemented within the context of the conservation measures at prioritized landscapes. Figure 8 depicts the inter-relationship between the mission, four objectives, three levels of intervention and expected impacts on forest conservation.

Based on the TFCA mission, namely “to facilitate the conservation, protection, restoration, and sustainable use of tropical forests in Sumatra”, four main issues are identified. These four issues are grouped into i) overlapping policies and institutional weaknesses, ii) landscape degradation and fragmentation, iii) declining populations of endangered species, and iv) poverty and inadequate education in local communities. These issues will be addressed by TFCA-Sumatera through defining four objectives, namely i) strengthening institutions and policies at all administrative levels and stakeholders, ii) strengthening management intervention practices at the landscape level, iii) ensuring long-term survival and viable population of Sumatran key-endangered and flagship species and strengthening the protection of habitat, and iv) empowering local communities, enhancing welfare and livelihoods, and devising incentives for their involvement in conservation, protection and management of forests. These objectives are broken down into activities which will be conducted through three levels of interventions, namely i) interventions at the policy and institution level, ii) interventions at the landscape level, and interventions at the community level.

Activities conducted through the three intervention levels have proven effective for forest conservation in Sumatran landscapes. Therefore, during the next five years (2015-2020), TFCA-Sumatera will implement intervention activities at these three levels.

The interrelationship between Vision, Mission, Issues, Objectives and Intended results can be seen in the logical framework (logframe) as shown in Table 4.

Table 4. The Logical Framework for TFCA Sumatra Program

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES	OUTPUTS
Component 1: STRENGTHENING CONSERVATION POLICY & INSTITUTION				
2 million ha of forest (including protected areas) will be effectively managed and or protected	Strengthening institutions and policies at all administrative levels and stakeholders, including community and private sector engagement to improve the forest and endangered wildlife management effectiveness and ensure the sustainability of forest resources	Conservation institutions and policies are developed and strengthened to enable the maintenance and improvement of effective management of tropical forests in prioritised landscapes in Sumatra	Strengthening institutions working with conservation, developing ecologically based or /conservation oriented spatial planning and or developing policy , capacity building of institutions working with conservation and development	Final draft for the establishment of National legislation, Province/ District/City Regulation, Village regulation, spatial plans, Strategic Environmental Assessment (Kajian Lingkungan Hidup Strategis/KLHS).
			Proposing new conservation areas or extension of existing ones	Final proposal for the establishment of new or extension of existing protected areas
			Enhancing management capacity of protected/ conservation areas	Developped Management Plans of Conservation/ Protected Areas Trained National Park's personnels

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES	OUTPUTS
			Strengthening coordination and collaboration among forestry stakeholders	Established organizations of stakeholders, including private sectors and local government collaboration, partnership and engagement on forest areas management
			Implementing participatory village development planning	Established participatory village development plans, including village forests and customary forests plans
			Implementing Resort Based Management scheme over protected areas	Established/Implemented systems for Resort-Based Management
			Advocacy and Developing policy / regulation / guidance on forest / habitat and species protection and conservation	Final documents/materials to support conservation policies at national, province or district levels
			Developing species conservation action plans	Developed species conservation action plans
			Enhancing policy and institutions for law enforcement on combating forest and wildlife crimes	Developed forest/wildlife protection collaboration or partnership among law enforcement agencies at national, province or district levels

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES	OUTPUTS
			Implementing community based forest management	Developed policies and plans on CBFM at provinces/districts; Developed/established and implemented action and business plans for village forests, customary forests or any other types of CBFM areas
Component 2: STRENGTHENING FOREST LANDSCAPES CONSERVATION				
	Strengthening management intervention practices at the landscape level to maintain, protect and enhance ecological functions of the forest, to reduce deforestation and forest degradation and to ecologically restore degraded forests	Forest landscapes are effectively protected, deforestation and forest degradation are reduced, and degraded forests are restored	Implementing ecosystem restoration schemes	Restoration activities started, established and maintained on degraded forest areas
			Strengthening collaborative forest/protected area protection	Implemented patrols and monitoring for protected and forest areas
			Participatory boundary marking	Established physical and legal boundary markers of protected areas

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES	OUTPUTS
			Implementation of forest industrial best practices	Developed/implemented best management practices schemes on concessions, e.g. HCVF.
			Establishing CBFM	Established village forests, customary forests and other types of CBFM areas
Component 3: MAINTAINING AND SUPPORTING LONG TERM SURVIVAL AND VIABLE POPULATION OF ENDANGERED SPECIES				
	Ensuring long-term survival and viable population of Sumatran key-endangered and flagship species, which include Sumatran tiger (<i>Panthera tigris sumatrae</i>), Sumatran Rhinoceros (<i>Dicerorhinus sumatrensis</i>), Sumatran Elephant (<i>Elephas maximus sumatranus</i>) and Sumatran Orangutan (<i>Pongo abelii</i>) and strengthening the protection of habitat to ensure its integrity, availability, connectivity, and diversity within and outside the protected areas	Habitat of endangered species, including tiger, rhinoceros, orangutan and elephant and their connectivity are secured, improved and maintained	Increasing habitat protection	Developed anti-poaching and habitat patrols units; Implemented intensive patrols for protected areas habitat.

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES	OUTPUTS
			Implementing habitat and ecosystem management and restoration	Improved habitat; Restored degraded habitat and ecosystems.
			Developing and maintaining habitat and ecosystem connectivity (wildlife corridor)	Formally established and maintained wildlife corridors and or habitats connectivity.
			Eradicating invasive species on endangered species habitat	Invasive species eradicated
		Population of endangered species, including tiger, rhinoceros, orangutan and elephants stabilized or increased	Increasing the viability of several sub-populations of endangered species	Non-viable sub-populations are moved or connected to form a viable population;
			Reducing vulnerability to extinction by maintaining viable and healthy sub-populations	Viable sub-populations of endangered species are maintained and improved
			Collecting and Maintaining data and information on species	Population database maintained
			Establishing or improving ex-situ conservation facilities (including zoo, breeding and rescue facilities)	Ex situ conservation / breeding facility improved

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES	OUTPUTS
			Supporting research or studies on reproductive and pathological issues to identify the cause of population decline and to enhance population growth	Results of research and studies used as the basis for further habitat and population improvement and other management options.
		Wildlife crimes and human-wildlife conflicts significantly reduced	Supporting law enforcement undertaken by the law enforcement agencies	Number and magnitude of wildlife crimes reduced
			Supporting human-wildlife conflict mitigation	Number of wildlife conflicts incidents reduced
Component 4: ENHANCING LOCAL COMMUNITY LIVELIHOOD				
	Empowering local communities, enhancing welfare and livelihood, and devising incentives for their involvement in conservation, protection and management of forests	Welfare of the local community is enhanced to enable supporting conservation	Supporting to increase awareness, education and outreach	Local people-based conservation champions established, trained and promoted Number of people and groups received education and awareness programs ; Various publications published.
			Enhancing local economy through implementation of community-based forest management (CBFM)	CBFM groups capacity improved

CONSERVATION IMPACT	KEY OBJECTIVES	OUTCOMES	ACTIVITIES	OUTPUTS
			Enhancing green economic practices to improve community's livelihood , including agroforestry, organic farming, NTFP, PES, and ecotourism	Increased household income or primary production
			Increasing market access for several primary products	Shortened value chains on several primary products, e.g. through connecting directly with end market (consumer)
			Developing local-based financing schemes	Improved capacity of local economic institutions, such as cooperatives and microfinancing systems.
			Increasing private sectors engagement in community development and other local-based economic development	Number of private companies engage in community/local-based economic development
			Fulfilling parts of basic facilities needs such as through development of green energy and electricity	Provided water resources and animal waste based energy–

Chapter 4
DIRECTION FOR THE 2015-2020
STRATEGIC PLAN



4.1. General Direction



As depicted in Figure 8, in general, the 2015-2020 Strategic Plan centers on the implementation of activities at three intervention levels to achieve forest conservation impacts. Institutional and policy strengthening began at the site level and at the administrative level of government has created the pre-conditions or enabling conditions for conservation activities at the landscape level. Improved socio-economic well-being through strengthening local community economy has put a guarantee on the sustainability of conservation activities at the landscape level. The inter-linkages among those intervention levels can be seen in the above outlined Figure 8.

4.2. Prioritized Geographic Areas and Themes of Interventions

4.2.1. Prioritized Geographic Areas

In accordance with the Forest Conservation Agreement, 13 priority landscapes for TFCA-Sumatera programs have been identified throughout the island of Sumatra. The TFCA-Sumatera program focuses on biologically rich landscapes, including important ecosystems in and around protected areas, as well as the connectivity of habitat corridors and agro-ecosystems surrounding the prioritized area managed by local communities. At the current stage, TFCA has awarded grants for the intervention at 12 out of 13 priority landscapes. But there are gaps of intervention on many of those landscapes, including one landscape which has no TFCA intervention at all.

For the second five years term (2015-2020), TFCA-Sumatera will pay particular attention to landscapes that have not received sufficient interventions from TFCA-Sumatera during its first 5-years period (2010-2015). These landscapes include Angkola which has had no interventions at all so far, other important landscapes which still have intervention gaps, such as Sembilang National Park (NP) of Berbak-Sembilang landscape, Siberut NP landscape, Kampar-Senepis-Kerumutan, Batang Toru Forest of Batang Toru-Batang Gadis landscape, and Leuser Ecosystem Area (KEL) landscapes. The selection priorities will be based on the level of threats and pressures on the forest ecosystems at the landscape level, including where key endangered species (e.g. tiger, rhinoceros, elephant and orangutan) populations and habitat are in urgent need for immediate intervention.

In addition, three landscapes, namely Leuser Ecosystems, Bukit Barisan Selatan National Park and Way Kambas National Park, where significant populations of rhinoceros and tiger exist are also important areas for intervention. In accordance with the amendment of TFCA agreements in which endangered species, notably rhinoceros and tiger will be the prioritized for conservation, these three landscapes will become important for TFCA. Urgent activities at the other landscapes within 13 potential geographic locations, will be prioritized according to the level of importance of the proposed activities within the framework of forest conservation at landscape and species level.

4.2.2. Prioritized Themes of Intervention

There are two main threats to forest resources and associated biodiversity's long-term sustainability, which require conservation interventions:

- 1) Forest destruction, which also includes deforestation, forest degradation and fragmentation;
- 2) Wildlife crime and unsustainable use of wildlife products

The underlying causes of these threats are associated with three levels where conservation intervention must be directed. In this regard, the threats may be caused by the weaknesses of institutions and policies, management implementation on the ground, and lack of community involvement. TFCA-Sumatera must facilitate the implementation of conservation interventions to eliminate or substantially reduce the underlying threats at these three levels, namely intervention at policy and institution, landscape and community levels. Integration of those three levels of interventions would be able to achieve significant conservation impacts when implemented appropriately. However, this would need concerted efforts, multi-

disciplinary works and integrated approaches to implementation.

Policy weaknesses exist at village, district, province and national levels, which influence conservation activities on the ground. In order to strengthen or reform such policies, interventions should range from development of spatial plans, development of management plan of protected areas, to development or reform of local level regulations such as village, district and province regulations. With regard to institutions there are several areas concerning institutions at all levels, directly or indirectly related to conservation, which need to be strengthened. Examples of these activities include strengthening of multistakeholders forest management organization, development of business organizations at the village level or community group such as cooperatives and micro-financing systems or credit unions, and strengthening market networks between the farmers and the industry. Conservation interventions will not succeed without strong policies and institutions.

Forest management on the ground, which includes protection, sustainable use and restoration, plays central roles in maintaining forest functions. Significant TFCA resources will be directed towards implementation of conservation activities in these areas.

Table 5 shows illustrative priorities or examples of thematic activities based on the underlying threats to forests and associated biodiversity implemented at three intervention levels as appropriate. This table contains non-exhaustive examples of targets, therefore TFCA-Sumatera will still be able to accomodate proposals which shows other indicators, as long as they support the achievement of intended results.



Table 5. Illustrative Priorities and Strategic Interventions based on Issues and Threats

STRATEGIC INTERVENTIONS	INTENDED RESULTS	TARGET AND INDICATORS
POLICY & INSTITUTIONAL DEVELOPMENT	1. A minimum of 2million ha of forests (including protected areas) will be effectively managed and or protected through direct intervention at landscape level such as forest protection, implementation of best management practices, forest patrols, and development of policies and institutions which directly support sustainable forest management.	<ul style="list-style-type: none"> • Maintained and improved management effectiveness of at least 2,000,000 ha of tropical forests in prioritised landscapes in Sumatra • 2 local government regulations, or Strategic Environmental Assessment of Spatial Plan published • 5 conservation supporting policies published • 5 Management Plans (RP) of protected areas developed • 2 systems of RBM developed and implemented • 10 newly Ministerial decrees and District decrees for CBFM establishment published • Trained Personnel's of at least from 12 National Parks / KSDA Offices • Either BMP, HCVF, BBOP, certification, chipping in or provision of supports on conservation activities (including forest restoration, species conservation, human-wildlife conflicts mitigation) implemented by at least 2 private concessions • 3 existing collaborative partnership between government, private companies and NGOs maintained, 1 new partnership established • 1 proposal of new conservation area establishment or 1 proposal to extend the existing conservation area submitted to Ministry of Environment & Forestry
LANDSCAPE PROTECTION AND RESTORATION	2. A minimum of 10% contribution to the reduction of deforestation and forest degradation at the prioritized landscapes, in accordance with the intended result no. 1.	<ul style="list-style-type: none"> • 10 units or 1,000 ha newly established CBFM developed • 30 units or 50,000 ha of existing CBFM improved • 500 ha existing forest restoration areas maintained • 300 ha degraded forest initially restored • 20.000 ha critical land (non-forest) rehabilitated • 800.000 ha forests / protected areas secured through intensive patrol and monitoring • 1 Essential habitat / area with Invasive species in protected area cleared or 1 method on invasive species removal invented

<p>SPECIES CONSERVATION</p>	<p>3. At least 800,000 ha of habitat of endangered species which contains viable population of tiger, rhinoceros, orangutan and elephant are secured.</p> <p>4. A minimum of 50% contribution of the current rate, to the reduction of population decline of tiger, rhinoceros, orangutan and elephant and stabilized viable population in their current available geographical range</p>	<ul style="list-style-type: none"> • At least maintenance of existing population (baseline 2007 as stated by MoF documents) of key endangered species as follow: <ul style="list-style-type: none"> • Tiger in 5 landscapes • Rhino in 3 landscapes • Elephant in 5 landscapes • Orangutan in 3 landscape • 1 ex situ conservation facility for endangered species, e.g. rhinoceros, improved • 30% incidences reduction of wildlife crime (baseline 2014) • 10% reduction of incidences or loss of human – wildlife conflict at 3landscapes (baseline 2014) • 2 existing human - wildlife conflict mitigation facilities improved and sustained • 10 Community based human - wildlife conflict mitigation units / teams are established or improved.
<p>COMMUNITY DEVELOPMENT</p>	<p>5. A 10% increase of household incomes [annually] at some of the targetted areas, and</p> <p>6. At least 10 community groups improvement in economic capacity, which directly or indirectly have positive impacts on conservation.</p>	<ul style="list-style-type: none"> • 30 local people promoted as conservation champions • 10 CBFM groups capacity on organization and forest management techniques improved • 10% increase of household income (baseline 2014) • 20 cooperatives / microfinance established / improved • 30 private companies engaged with communities in order to channeling community's products • 250 local economic institutions assisted in improvement of production systems (agroforestry, farmer groups, handicraft groups, fisheries group, cooperatives, joint business groups) • 25 local economic groups assisted in implementing added value schemes • 75 local farmer groups improved their farming systems • 20 groups implement ecosystem services schemes (Ecotourism, Pico / Micro hydro, commercial water services, etc.) • 20 groups of NTFP products established / improved • 2 scientific journals, 3 books and 2 films produced and published

4.3. Prioritized Program for Conservation of Endangered Species

One of the six authorized purposes under the Forest Conservation Agreement is “the Restoration, protection, or sustainable use of diverse animal and plant species”, which include population recovery, habitat protection, restoration, and law enforcement. At the end of September 2014 the USG, GOI, CI and KEHATI agreed that additional funds of about US\$12 million on top of the currently available funds would be made available for the conservation of Sumatran key endangered species, particularly Sumatran tiger and Sumatran rhino. But this fund will also be made available for other Sumatran key endangered species, such as Sumatran orangutan and Sumatran elephant.

Species conservation under this expansion consists of integrated activities, with wildlife protection as the main goal while landscape protection, improvement and governance and community welfare and livelihood are the *sine qua non* to achieve it. Thus, the grant making strategy of this additional fund will be built in alignment with the currently available one.

Parts of the current TFCA-Sumatera’s funds will also be available to support conservation of all endangered species. Four big mammals’ namely Sumatran rhinoceros (*Dicerorhinus sumatrensis*), tiger (*Panthera tigris sumatrae*), elephant (*Elephas maximus sumatraensis*) and orangutan (*Pongo abelii*) are amongst the most affected by habitat loss and poaching in Sumatra. These species are therefore among the top prioritized species for conservation.

Among these four species, rhinoceros and tiger are probably the most critically endangered. The population of Sumatran rhino in Sumatra is reported to be less than 100 animals distributed in three national parks: Gunung Leuser National Park, Bukit Barisan Selatan National Park and Way Kambas National Park, while the tiger population is probably less than 100 animals distributed across Sumatra. In line with this fact, additional funds of about US\$ 12 million are topped up into the current TFCA-Sumatera program under a newly amended Forest Conservation Agreement, and which will be provided to especially support the conservation of Sumatran rhinoceros and Sumatran tiger (*Panthera tigris sumatrae*).

Besides intervention on wildlife population and habitat, wildlife conservation in Sumatra must take into account forest and wildlife crimes and human-wildlife conflict. In this regard, TFCA-Sumatera should also be able to support an integrated

intervention involving law enforcement and resolution of wildlife-human conflicts. In addition to the direct intervention to population and habitat, it would also be necessary to undertake baseline and monitoring surveys in order to obtain information on population and habitat trends.

4.4. Intended Results and Targets

TFCA-Sumatera sets the targeted conservation results in undertaking conservation activities through provision of grants to the eligible organizations based on the achievements of the 2010-2015 Strategic Plan’s as shown in Table 6.

Table 6. Strategic interventions and target of achievements

STRATEGIC INTERVENTIONS	INTENDED RESULTS	TARGET AND INDICATORS
POLICY & INSTITUTIONAL DEVELOPMENT	1. A minimum of 2million ha of forests (including protected areas) will be effectively managed and or protected through direct intervention at landscape level such as forest protection, implementation of best management practices, forest patrols, and development of policies and institutions which directly support sustainable forest management.	<ul style="list-style-type: none"> • Maintaining the improvement of management effectiveness of at least 2,000,000 ha of tropical forests in prioritised landscapes in Sumatera • Minimum 5 Management Plans (RP) developed • Minimum of 2 RBM developed and implemented • Minimum 5 newly CBFM developed and at least 10 the capacity improved • At least 2 Perda or KLHS of RTRW published • Minimum of 50 local government offices / agencies involved in the TFCA-Sumatera Program • Minimum 20 personnel’s of National Park / KSDA trained • Minimum 5 conservation supporting policies published • Minimum 10 private entities / companies engaged • At least 3 existing collaborative partnership maintained, 1 newly partnership established • At least 1 proposal of a new conservation area establishment or 1 proposal to extend the existing conservation area submitted to ministry of environment & forestry

STRATEGIC INTERVENTIONS	INTENDED RESULTS	TARGET AND INDICATORS
<p>LANDSCAPE AND SPECIES CONSERVATION</p>	<p>2. Contribution to the reduction of deforestation and forest degradation by minimum 10% at the prioritized landscapes (in accordance with the target as outlined in the above-mentioned paragraph 1)</p> <p>3. Secure at least 800,000 ha of habitat of endangered species which contains viable population of tiger, rhinoceros, orangutan and elephant.</p> <p>4. In general, contribute to the reduction of population decline of tiger, rhinoceros, orangutan and elephant by at least by 50% of the current rate and stabilize the viable population in their current available geographical range</p>	<ul style="list-style-type: none"> • Minimum 5 units or 1,000 ha newly CBFM developed and at least 30 units or 50,000 ha of existing CBFM improved • Minimum 2 newly private concessions implement either BMP, HCVF, or BBOP, certification. • Minimum 500 ha existing forest restoration areas maintained, at least 300 ha degraded forest initially restored, and 20.000 ha critical land (non-forest) rehabilitated • Minimum of 800.000 ha protected areas secured through intensive patrol and monitoring • At least maintenance of existing population (baseline 2007 as stated by MoF documents) of key endangered species as follow: <ul style="list-style-type: none"> • Tiger in 5 landscapes • Rhino in 3 landscapes • Elephant in 5 landscapes • Orangutan in 3 landscape • Minimum 1 ex situ conservation facility for endangered species, e.g. rhinoceros, improved • Community based human - wildlife conflict mitigation units in at least 2 landscapes are established or improved • At least 1 local government and 1 private company chip in for human-elephant mitigation conflict facilities. • Incidences of wildlife crime reduced at least 30% (baseline 2014) • Incidences or loss of human – wildlife conflict reduced at least 10% in 3 landscapes (baseline 2014) • At least 100 ha with invasive species are eradicated

STRATEGIC INTERVENTIONS	INTENDED RESULTS	TARGET AND INDICATORS
COMMUNITY DEVELOPMENT	<p>5. Increase household incomes by 10% [annually] at some of the targetted areas and</p> <p>6. Improve at least 10 community groups in economic capacity, which directly or indirectly have positive impacts on conservation.</p>	<ul style="list-style-type: none"> • Minimum 30 local people promoted as conservation champions • Minimum 10 CBFM groups capacity on organization and forest management technical improved • Minimum 10% increase of household income (baseline 2014) • Minimum 20 cooperatives / microfinance established / improved • Minimum 30 private companies engaged with communities in order to channeling community's products • At least 250 local economic institutions assisted in improvement of production systems (agroforestry, farmer groups, handicraft groups, fisheries group, cooperatives, joint business groups) • At least 2 existing human - wildlife conflict mitigation units improved • Minimum 25 local economic groups assisted in implementing added value schemes • minimum 75 local farmer groups improved their farming systems • Minimum 20 groups implement ecosystem services schemes (Ecotourism, Pico / Micro hydro, commercial water services, etc.) • Minimum 20 groups of NTFP products established / improved • At least 2 scientific journals, 3 books and 2 films produced and published

Chapter 5
**APPROACHES AND STRATEGIES FOR
PROGRAM IMPLEMENTATION**



5.1. Strategic Approaches



As has been mentioned in Chapter III, the key objectives of the strategic plan will be implemented at three intervention levels, namely policy and institution, landscape and community levels. Mapping of the key objectives on intervention levels may be seen in Figure 9 below.

In achieving the key objectives the implementation of conservation interventions will be conducted at three levels, namely institution and policy, landscape and community which directly or indirectly and individually or together will generate positive impacts on forest conservation.

Interventions at the institution and policy level will result in the establishment of enabling conditions for conservation, including establishment of regulations at all levels. Even though it acts as a supporting intervention, strengthening policies and institutions is equally important as conservation definitely needs political commitment which must be then translated into formal and written policies.

Landscape level interventions are the central part of conservation initiatives as they directly change the current conservation conditions towards a better conservation state. Large portions of resources, including financial and human resources are typically put in this level.

Finally, interventions at the community level are also important in conservation measures because the local community is usually the most affected group and livelihood enhancement of the local community has found useful to increase the conservation achievements.

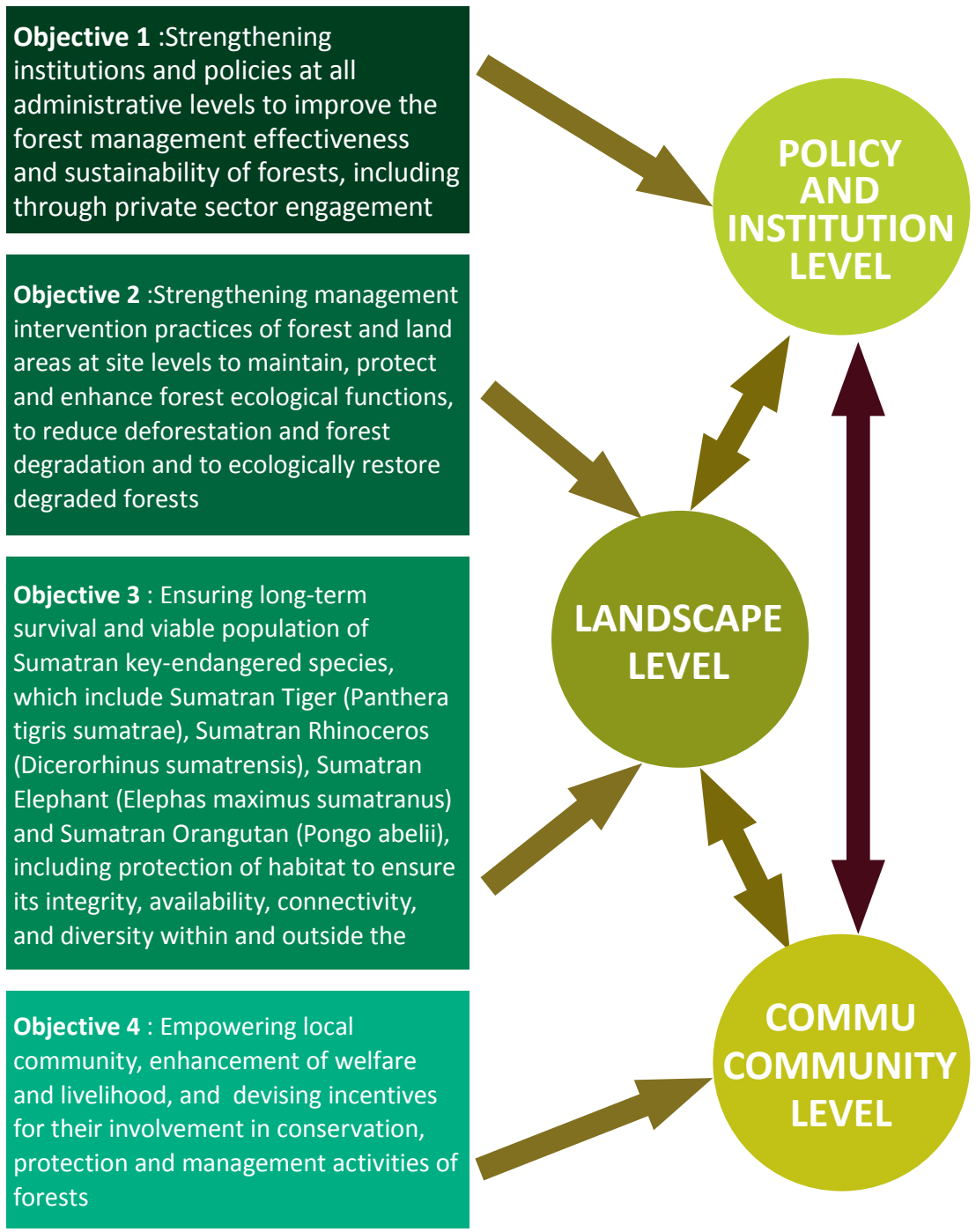


Figure 9. Strategic approach of TFCAs Sumatera implementation showing key objectives and corresponding intervention levels.

Furthermore TFCA-Sumatera will be and has been supporting and linking to international regulation, plans, strategies and initiatives, including CBD, climate change, combating wildlife crime, etc.

5.2. Supporting and linking to National and International Conservation Priorities

As it has been done in the past, TFCA-Sumatera will continue to support and link to national conservation priorities. Several examples of these national conservation priorities include:

Indonesian Biodiversity Strategy and Action Plan (IBSAP). This is a national plan developed from the mandate of the Convention on Biological Diversity (CBD). Indonesia currently employs IBSAP of 2003-2020 as amended (renewed) as IBSAP 2015-2020. TFCA may support the implementation of this national plan and the establishment of further policies at local level concerning biodiversity conservation and sustainable use.

National strategy and action plan for the conservation of several endangered species. The former Ministry of Forestry has developed and implemented national conservation strategies of several protected species, such as the Sumatran rhinoceros, tiger, orangutan and elephant. These strategy and action plans include: 1) Strategy and Action Plan for Sumatran Tiger 2007-2017; 2) Strategy and Action Plan for Sumatran Rhinoceros 2007-2017; 3) Strategy and Action Plan for Sumatra and Kalimantan Elephants 2007-2017; 4) Strategy and Action Plan for Orangutan Indonesia 2007-2017. There are several other strategies and action plans in the process of development and TFCA will contribute to the achievement of those strategies and plans.

In addition, it is important that TFCA-Sumatera should also be supporting and linking to Global Conservation Targets and Priorities. In the approach to achieve conservation targets, TFCA-Sumatera has contributed to international targets as part of TFCA strategic objectives. TFCA Sumatera will continue to contribute and link to international conservation targets and initiatives. These include the followings:

Convention on Biological Diversity (CBD). Contribution and linking to CBD targets include contribution to the program of works on protected areas, forest biodiversity, inland waters, eradication of invasive alien species, indigenous and

local people and in situ and ex situ conservation.

International Union for Conservation of Nature (IUCN). There are enormous guidelines produced by IUCN on conservation of biological biodiversity and IUCN programs and objectives. In this regard, TFCA will make these as the references in the implementation of TFCA program.

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). TFCA-Sumatera will support the CITES objectives especially on supporting non-detriment findings (NDF) as mandated through its Article III and IV and support combating wildlife crimes at all chains of custody.

Climate Change Mitigation and Adaptation. TFCA-Sumatera is not designed to directly implement climate change mitigation or adaptation. However, conservation activities can directly contribute to the achievement of climate change mitigation or adaptation objectives. For example, in the past TFCA Sumatera supported projects which related to green and renewable energy through construction of pico-hydro electricity power plants and protection of forests which supports Reduction of Emission from Deforestation and Forest Degradation (REDD).

5.3. Combating Wildlife Crime

In following the Memorandum of Understanding between the Government of Indonesia and the Government of the United States of America on Conserving Wildlife and Combating Wildlife Trafficking, an action plan is developed. TFCA-Sumatera as appropriate and where applicable will support the implementation of this plan.

5.4. Strengthening Private Sector Engagement and Contribution to Conservation

The private sector is emerging as a critical stakeholder in biodiversity conservation in the country. Initiatives such as the establishment of Giam-Siak Biosphere Reserve through the involvement of PT Sinarmas and the implementation of high conservation value areas by timber and plantation companies have been heightening awareness among various sectors of society. The industrial sector has shown great interest in upgrading their skills and practices to lessen impacts on the environment. The private sector has long provided examples of the contribution to management and conservation in the country. For example, despite disappointing

results, the implementation of sustainable forest management by logging concessions is one of the long-term private sector engagements on conservation. The private sector is now aware of the importance of strategic ecosystems and protected areas for their production processes and has mobilized resources and established partnerships to promote the design and implementation of strategies for the conservation of protected areas and wildlife. This is precisely what motivates many initiatives. In this regard, instruments must be provided by the legal and regulatory frameworks to facilitate private sector involvement with direct contributions aimed at financing some conservation activities which imply an appropriate management of public and private conservation measures, for example protected areas and eco-tourism. It is among the reasons TFCA-Sumatera is in support of private sector engagement in conservation.

It is important to refer IUCN guidelines on private sector engagement, for example “IUCN (2009): Operational Guidelines for Private Sector Engagement”. However, in general the strategy will involve the following:

- 1) Directing the private sector in implementing Best Management Practices (BMP), whenever possible applying appropriate certification systems.
- 2) Through their CSR, engage in conservation activities in coordination with TFCA funds;
- 3) Develop biodiversity (carbon) offsets.

5.5. Building Synergy with Wider Conservation Efforts

TFCA-Sumatera will identify what other donors, including Government and NGOs are or will be working in the same landscapes and similar activities. In this regard TFCA-Sumatera will not provide grants which directly overlap with those other donors have provided or will be providing. In addition, complementary grants which will contribute to certain achievements of overlapping works or will have more significant conservation impacts are preferable for support.

As an example, the Disney Foundation currently supports Indonesian-based NGOs working on Sumatran tiger and rhinoceros with planning level activities. In this regard TFCA-Sumatera will be able to take advantage that several activities that could be shared with Disney. The same could also be done with the landscapes of Koridor Rimba in the provinces of Jambi, Riau and West Sumatra which has received a GEF grant through its project entitled “*Strengthening forest and ecosystem connectivity in RIMBA landscape of central Sumatera through*

investing in natural capital, biodiversity conservation, and land-based emission reduction ('RIMBA project'). Some of the TFCA prioritized landscapes, namely Kerinci-Seblat National Park, Bukit Tiga Puluh National Park, Berbak National Park, and their buffer zones and connectivities, which will protect important habitats for elephant, tiger and bird species.

5.6. Ensuring Sustainability of Conservation Program and Project

Sustaining the conservation program is an important part of TFCA-Sumatera's strategy to achieve the overall objectives. The conservation programs must still be ongoing even though the projects under TFCA support have been terminated. In this regard sustainability does not have to be in the form of an on-going project, but rather the activities, functions or benefits of the project which will continue long after the project terminates.

Therefore, sustainability should be placed with the entities which will remain at the project locations for a long time. These entities may be: local community, local government, private sector and local NGOs. Considering this fact, the actors who will be able to safeguard the sustainability are those who remain at the local level for a long time. Sustainability at the project level consists of (1) development or integration of projects which create self-sustaining activities; and (2) development of projects committed to be sustained by the Government and or private sector engagement. The most preferable activities to support sustainability are those which relate to economic development at local level which in turn support conservation, in terms of self-sustaining conservation projects. Below are several examples of activities and strategies which will be developed to support TFCA program/project sustainability.

Support Social enterprises (local based creative economy). The new administration of the Government put high priority on the development of local potential. Social enterprises which rely on local potential, especially at the site level, will be prioritized through the TFCA-Sumatra program.

Promoting the development of ecotourism. Sumatra has enormous ecotourism potential, ranging from tropical rainforest ecosystems, wildlife, the people and culture. This wealth only needs packaging, management and promotion to become saleable eco-tourism packages. Strengthening and development of ecotourism will be carried out in integration with conservation programs and

economic incentives for local people in accordance with and taking into account the local culture and values.

Making environmental services real. Two potential environmental services which may immediately be made available are water and carbon. TFCA-Sumatera has currently supported the use of water, such as pico-hydro electrical power generation to support green energy development. Future forest conservation work should be linked to carbon offsets which will benefit the local community. When these services are conspicuous at the site level, the local community and local governments, in turn, will be more than willing to protect the forest which is beneficial to them.

Leveraging of funds. The conservation works supported by TFCA-Sumatera are meant to attract fundings from other donors, private sectors and government. In this regard communication between grantees and potential donors and government need to be built in order to increase their buy in and engagement in conservation programs. It is for this reason that TFCA should build communication and networking between grantees and other stakeholders at the local level. As part of the local government responsibilities and in accordance with the Decentralization Law, conservation of nature must be put as one of the local priorities.. In this regard, strengthening local government engagement and conservation buy-in becomes important to enable local government to contribute in terms of budget allocation on conservation activities.

Community in-kind contribution. In order to build the sustainability of the project, benefits or activities, there must be contribution by local stakeholders and communities to the project or activities. This contribution will increase the sense of ownership of the project or activities by the community.

Establishing Sumatra-Tropical Forest Conservation Trust Fund. The TFCA Trust Fund is a sinking fund, therefore the implementation of the funds should be completed around 2021. TFCA agreements do not specify how the TFCA program ends after the Government of Indonesia's obligation on redirecting debt payments is completed in 2021. Considering the current shape of TFCA Sumatera grants, it is likely that the program will not have finished by that time. One of TFCA grantees has established a conservation trust fund in North Sumatra. It is important that TFCA begin considering the possibility of building conservation trust funds at the local level, by providing support and guidance to the newly establish conservation trust fund or developing new trust funds based on lessons learned from the TFCA program's best practices. This will build sustainability at funding level to ensure

long-term funding ability for conservation activities.

5.7. Linking to National and Local Government

Priorities

Supporting development and implementation of ecologically sound spatial plans will be one of TFCA's main priorities during the next five years. In addition, TFCA-Sumatera will support activities which support the achievement of the Government's Key Performance Indicators (KPI). In addition TFCA-Sumatera will also support and link activities with sustainable development plans of provincial and district Governments. TFCA-Sumatera will continue to emphasize project and program sustainability, and supporting the Government's Key Performance Indicators (KPI), also known as Indikator Kinerja Utama (IKU), especially of the Ministry of Environment and Forestry's Implementing Units such as National Parks and BKSDA. Additionally, private sector engagement in conservation activities will help improve conservation measures.

5.8. Capacity Building for NGOs and Other Conservation Communities

Capacity building is part of institutional development for the grantees. TFCA will assist the newly accepted grantees with project design and financial training (including book keeping). In-house training on technical matters is done continuously during the course of the grant, especially on the correction of errors found during monitoring and evaluation. The Administrator also periodically undertakes shared-learning activities in which success stories from one grantee are shared with other grantees as a model of lessons learned. Capacity building for the TFCA grantees or potential grantees is one of the important steps which must be taken by the Administrator. This will continue to be done by the Administrator in the future. The Regional Facilitator, which will be recruited, will coordinate to provide capacity building for the grantees as needed. One of the important topics is social entrepreneurship and exit strategy development, which must be embedded in the project from the design stage. TFCA Sumatera, through its regional facilitators, will be responsible for providing social enterprise business development support to grantees in relation with the economic development of local communities, for example through business development, product marketing and related business management. Additionally, the regional facilitators will also be able to assist grantees in developing exit strategies and project sustainability after the expiration of TFCA support.

Chapter 6
GRANT MAKING APPROACH AND
CRITERIA



6.1. Grant Making Process



The current grant making strategy of TFCA Sumatera emphasizes relatively large landscape level interventions. Large grants are made because of the vision of the Oversight Committee that TFCA interventions must lead to significant conservation impacts at the landscape level. In order to achieve significant impacts, a conservation intervention must be carried out through collaborative actions, including by building consortiums of NGOs. The three intervention levels, namely institutional, landscape and community development can be simultaneously implemented by a consortium in an integrated manner. In addition, the benefits of having a consortium carry out a large grant is clear in that a project is tackled by many organizations through one vision. However, building a consortium is not an easy task. The consortium must be built through a bottom up and often long process. Failure to build the same vision among the consortium members may result in failure in the implementation of the project. In addition, the lead organization needs to have strong leadership in managing the project and the consortium. As directed by the Forest Conservation Agreement, TFCA may only be able to provide grants to eligible entities and for designated authorised purposes.

6.1.1. Grantee's Governance

In line with the terms in the Forest Conservation Agreement, TFCA recommends that, especially for the large grants, the eligible entities are expected to work within a consortium built through a bottom up process and with strong commitment to work collaboratively.

However, for smaller grants, individual entities should be eligible to receive grants with a view that the organization is able to show a good concept of the activities. In this regard, the Administrator and Oversight Committee should provide assistance and capacity building services to improve the governance of the organization which may include assistance in consortium building, training on financial and administrative matters, development of a performance monitoring plan and other assistance as required within the scopes of the Administrator's work.

Ideally, grantees working in the conservation activities under the TFCA umbrella should be in the form of a consortium which comprises of two or more organizations in accordance with their respective expertise or specialization and which have the same mission to develop a conservation program. Large grants which cover multiple levels of intervention would be more effectively implemented by a consortium of organizations. However, empirical facts show that development of a strong consortium is challenging and often ends up in failure because of a lack of good organizational governance. A consortium must therefore, be built under the same vision among the consortium members. The Oversight Committee and Administrator must not force the formation of a consortium based on only the similarity of proposals or landscapes. Therefore, a consortium must be built through a bottom up process under the same mission among the consortium members. In this regard the Administrator should continuously provide assistance to strengthen the governance of the consortium.

Taking into account the above matters, individual organizations should also be given an opportunity to receive large grants after an assessment is done on the basis of technical capability, administrative capability and track record of the organization in managing its previous grants. For medium and small grants, there should be no restriction to the forms of the grantee, whether in the forms of consortium or individual organizations. The format of the grantees may therefore consist of consortium of two or more individual entities, built under the same mission by a bottom up process or individual eligible entities.

The Administrator will continue to provide assistance to potential grantees on proposal improvement after the Oversight Committee approves in principle the application for a grant. During the first two grant cycles, the Administrator, as mandated by the Oversight Committee, provided about US\$5,000 for conducting workshops on proposal development and project design, given to grantees whose concept papers had been approved. However, since the launch of the third grant cycle, the Administrator cut the process in which applicants should submit directly

the full proposal instead of concept papers. In this regard the Administrator provides guidelines on proposal development and project design, including development of a logical framework, work plan and Performance Monitoring Plan. In addition, the grantees must receive training to input their data and reports in the database systems developed by the Administrator.

Assistance provided to approve grantees in the form of financial training and book keeping is consistently given after the signing of a Grant Agreement. This assistance is given not only for the purposes of increasing the capacity of the grantee's financial staff in book keeping and financial management of the project, but also in order to standardize the financial mechanism, such as the software used, the financial SOP and reporting procedure to be the same as those in the Administrator's office.

6.1.2. Proposal Solicitation and Grant Making Process

Proposal Solicitation

a. Continue to solicit proposals through request for proposal/concept paper

The current method of proposal solicitation through a bottom up process by launching a request for concept paper or a request for proposal should still apply, within or outside the grant cycle.

b. Solicitation through designated (targeted) grantees

In the case of no proposal submitted from an open solicitation on certain issues or topics important for TFCA achievement, the Administrator, with Oversight Committee approval may task certain organizations, known to be able to conduct the task.

c. Solicitation through designated (targeted) activities/issues

From the analysis of evaluation at the end of the project, the Administrator may award a grant to selected grantees, with the consideration that the grant would be able to boost the magnitude of the conservation impact. A grant may also be awarded to an organization to carry out specific targeted activities.

Schedule for Proposal Solicitation and Grant Processing (Grant Cycles)

a. On cycle/scheduled proposal solicitation.

A scheduled call for proposals is open twice a year for large grants, medium grants and small grants. These would normally be discussed and considered in the ordinary meeting of the Oversight Committee. The Forest Conservation

Agreement indicates that those two meetings shall be undertaken on around March and September. However, processing proposals until they are approved as grants is in many instances time consuming. Therefore, these two times would be used as the reference dates.

b. *Off cycle/unscheduled proposal solicitation*

TFCA Sumatera may solicit or call for a specific proposal outside the scheduled cycle. This should be in line with the condition outlined previously, in which an award may be granted to selected grantees or selected sites (targeted), with the consideration that the grant would be able to boost the magnitude of conservation impacts. The decision on grants will still be undertaken by the Oversight Committee, whether through an ordinary meeting or other means of communication such as electronic correspondence, conference call, etc.

6.1.3. *Size of Grants*

In accordance with the method of solicitation TFCA may divide the grants into three different sizes, namely large, medium or small size grants. The number below should be recorded as an indication only and the Oversight Committee should review them when necessary, and documented in the Grant Making Policy and Procedure (GMPP).

There is no restriction on the size of grant. But recent experiences suggest that the grants are typically between Rp. 1 Billion – Rp. 7 Billion with the duration between 1-5 years depending on the intervention target. However, TFCA Sumatera will also provide grants of less than Rp. 1 Billion and even very small grants of less than Rp. 100 million to undertake small conservation activities which will create conservation impacts or for activities which will fill the intervention gaps (*low-hanging fruit* and *quick win* activities).

6.1.4. *Sub Grants*

In accordance with the grant making policy, the Administrator would not be able to provide grants directly to local communities or groups. In many instances local communities or groups are capable of managing their own projects. In this regard, the NGO or consortium grantees may provide sub-grants to local communities or other NGOs. The NGO should assist the community with accountability of the funds used.

6.1.5. *Possible Modification of Existing Grants*

Circumstances may change. For instance change may happen in governmental

laws or regulation and other unforeseen circumstances which require the grant to change. Grant modification may be in the forms of extension at no cost, grant resizing (refocusing), grant extension with additional cost, and grant redesign. Depending on the reasons of the proposed modification, grant modification by TFCA is suggested as follows.

a. *Extension of project duration at no additional funds/cost*

Possibility of program extension or modification without additional cost may be awarded to an existing grantee where it has been identified as unable to complete the project at a given time caused by internal or external circumstances. Duration of program extension is no longer than 6 months for a three year or more project and budget reallocation may be allowed.

b. *Extension of project duration with additional fund*

Extension or modification of a project with additional TFCA funds may be granted to the existing grantee where it is likely that the grantee would not be able to complete the project as scheduled due to unforeseen circumstances beyond the grantee's control, such as changes in Government Law or Regulation. In this situation, by extending the project, the predicted conservation impacts would likely be achieved and in contrast, terminating the project would even give greater disadvantages.

6.1.6. Possible Awarding Additional Grant to an Existing Grantee

The current grant making policy does not allow an existing grantee to receive another grant. However, especially for the additional funds to cover interventions on endangered species, an existing grantee may be awarded with another grant. In this regard, the Administrator and OCTM (which may also be assisted by the Technical Assistant) should assess the capability of the prospective grantees. In giving such a grant the Administrator should keep the principle of fairness. At this moment, the policy to award grants to existing grantees should only be applicable for grants working with the conservation of endangered species.

6.1.7. Strengthening Monitoring, Evaluation, and Capacity Building

Grant making implementation of TFCA-Sumatera has been going for about three years since the first grant disbursement in the first quarter of 2011. Currently TFCA Sumatera is managing 22 grantees from four grant cycles mainly of large grants (more than IDR 5 billion). There is growing concern over the increasing number of grantees TFCA Sumatera is faced with given the high workload for monitoring and evaluation and recording of progress by the grantees. With the limited budget for

management which is capped at a fixed amount, the Administrator cannot easily increase the grant management capacity of the Administrator to work on grants administration, including M&E, capacity building, and other administration works.

Concerning this matter, the OC agreed to develop regional facilitators in the form of grants with the aim of focusing on the following key areas:

- a. To increase the effectiveness of project monitoring, evaluation and assistance to grantees for the effective and efficient implementation of the projects towards the achievement of TFCA objectives. Monitoring and evaluation and associated assistance on making necessary corrections of errors is the most important aspect of project management.
- b. To increase the effectiveness of grantees in building partnerships with the government and private sector in order to achieve conservation objectives as the government and private sector play important roles in forest conservation.
- c. To increase the capacity of grantees' organization and staff members for effective implementation of the project on the ground. In the future, besides administrative matters capacity building for grantees should be directed towards increasing the capacity of the grantees' technical skills which relate to their work in the field.
- d. To increase the program's probability of success and sustainability through the provision of technical assistance to grantees on socio-economic matters, social business and project exit strategy.

6.2. Grant Making Criteria and Prioritization

Pursuant to the Schedule 7 and 7A of the Forest Conservation Agreement (as amended), Grants shall be used only for Authorized Purposes undertaken in, or which directly benefit, the Tropical Forest Areas, as described in Schedule 2. In assessing Grant proposals, the Administrator and the Oversight Committee shall apply the following criteria and prioritization:

- 1) Grant proposals must meet all applicable basic project selection criteria, which include:
 - Demonstrably advance the strategic plan.
 - Demonstrate an understanding of, and clearly address, conservation threats and long-term sustainability of activity outcomes.

- Contain clear conservation objectives, outputs, activities, timeframes, and deliverables.
 - Specify costs at a level consistent with proposed activities.
 - Provide for monitoring and evaluation of the conservation impact.
 - As applicable, advance the implementation of existing conservation/management plans for Protected Areas and corridors.
 - As applicable, demonstrate support from other organizations, including local communities, government authorities, and other stakeholders, and coordinate, as appropriate, with such groups in the planning and management of the proposed activities.
 - Demonstrate that sufficient financial resources will be available to finance proposed activities.
- 2) Grant applicants must demonstrate sufficient administrative and technical capacity and experience to carry out the proposed Authorized Purposes:
- Technical Approach: Grant applicants must be able to identify threats and pressures and other problems and how to deal with and remedy the problems.
 - Identified Results: Grant applicants must be able to describe measurable results and the indicators and monitoring and evaluation plan.
 - Technical and Administrative Capacity of the applicants.
 - Budget structure and composition.
 - Track record of the applicant.
- 3) Grant proposals must be in compliance with policy and regulations of the Government of the Republic of Indonesia and the United States Government.
- 4) Grant proposals must be beneficial to tropical forest conservation, including the possibility to:
- Contribute to the conservation of globally threatened or endemic species that depend on tropical forests for critical habitat;
 - Contribute to the conservation of threatened or vulnerable natural forest ecosystems of high conservation value;
 - Contribute to the conservation of representative forest types within Indonesia;

- Contribute to promotion of sustainable use of tropical forest biodiversity;
- Contribute to reducing the threat to, or increasing the connectivity between, tropical forest areas;
- Contribute to the creation of new protected areas; and
- Directly contribute to improved management of an existing public, private, municipal or communal Protected Area, and their conservation targets.

Grant proposals meeting the requirements of Basic Project Selection Criteria will be prioritized on the basis of general biological priorities within each of the Tropical Forest Areas.

6.3. Social and Environmental Safeguards

The TFCA-Sumatera program supports biodiversity conservation efforts, sustainable development, environmental protection, support of human rights implementation, mainstreaming gender and social equality and implementation of good natural resources management governance. On that basis TFCA Sumatera develops and adopts environmental and social safeguard mechanisms in its program implementation. These safeguards aim to avoid risks and reduce various negative social and environmental impacts of the TFCA-Sumatera program implementation. The safeguards are also important to increase social, economic and environmental benefits to the local stakeholders and beneficiaries and the sustainability of the conservation measures at the community level. TFCA-Sumatera will provide guidelines on safeguard in a separate document.

It is mandatory to all grantees to comply with the safeguard principles for the implementation at the project level. In the selection process of grant application, in addition to assessment on technicalities and budget of the proposed project, TFCA-Sumatera assesses the readiness of the applicant on the social and environmental implications of the proposed project or activities.

The Social and Environmental Safeguards principles are as follows:

- 1) Recognize (respect) customary and local community rights on the management and utilization of customary lands and its natural resources;
- 2) Protect, empower and enhance the resistance of the low-income people, and ensure gender equality;
- 3) Maintain the traditional knowledge and practices and the cultural value of the customary

and local communities which relates to conservation and sustainable use of natural resources;

- 4) Ensure the sustainability of environmental and ecosystem services, avoid activities detrimental to biodiversity and support sustainable development;
- 5) Ensure full and active participation of all stakeholders and right holder, including community groups and build their capacity;
- 6) Adopt and implement good governance principles in decision making process and management, including accountability, representativeness, and transparency on information, procedure and mechanism.

Detailed guidelines and indicators on social and environmental safeguards will be presented in separate document.



Chapter 7
**PROGRAM MANAGEMENT AND
INSTITUTIONAL ARRANGEMENT**



7.1. Program Management Structure

The management structure of TFCA-Sumatera is based on three agreements, namely Debt Swap Agreement, Swap Fee Agreement and Forest Conservation Agreement among the Parties as seen in the chart of Figure 10.

7.2. Personnel

At the Board level, TFCA-Sumatera is governed by an Oversight Committee (OC) which consists of seven (7) voting members. The membership of the OC is divided into two categories, Permanent and Designated Members. The four Permanent Members consist of representatives of the parties, namely The Government of Indonesia, represented by the Ministry of Forestry, The United States Government, represented by USAID, a representative of KEHATI and a representative of Conservation International (CI). The three Designated Members consist of representatives of University of Syiah Kuala, Transparency International Indonesia, and Indonesia Business Link. According to the Second Amendment of the Forest Conservation Agreement, the Government of Indonesia is also represented by two Non-Voting Members, one from the Coordinating Ministry of Economic Affairs and one from the Ministry of Finance. In undertaking the duties and responsibilities, the Oversight Committee is assisted by Oversight Committee Technical Members (OCTM) represented by Ministry of Forestry, USAID, KEHATI and CI. The Secretary of the Oversight Committee, namely Executive Director of KEHATI also assists the OC.

The Administrator of TFCA Sumatera consists of the following staff



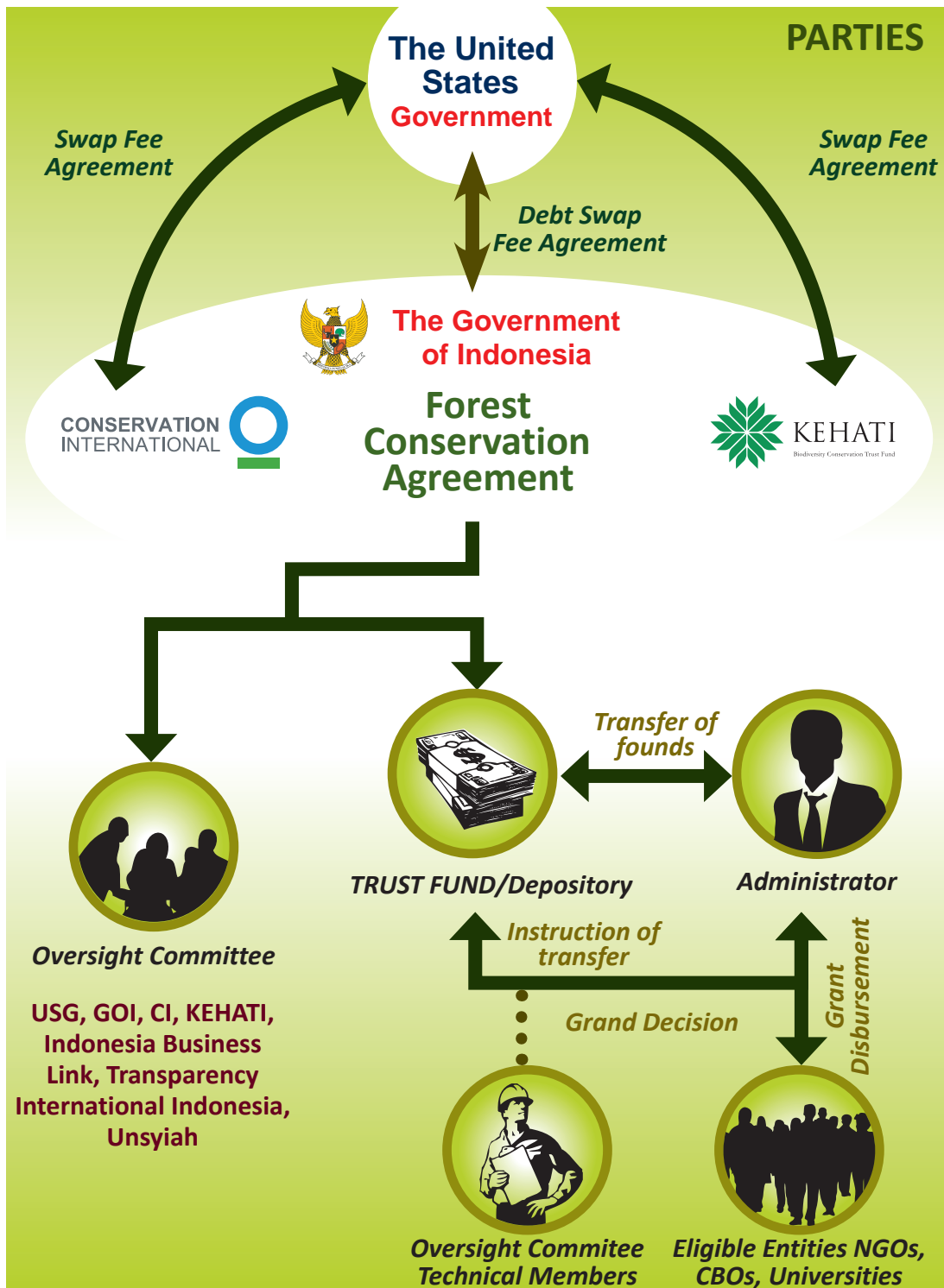


Figure 10. Organization Structure of TFCA-Sumatera

members:

1. Program Director
2. Grant and General Administration Manager
3. Landscape and Species Conservation Specialist
4. Communication and Outreach Officer
5. Institutional Development and Monitoring and Evaluation Officer
6. Finance Officer
7. Secretary and General Program Support
8. Grant Administration Assistant
9. Landscape Conservation Assistant
10. Species Conservation Assistant, and
11. Database and Information System Assistant

7.3. Regional Facilitators

Grant making implementation of TFCA-Sumatera has been underway for about three years since the first grant disbursement in the first quarter of 2011. Currently TFCA Sumatera is managing 22 grantees from four grant cycles mainly of large grants (more than IDR 5 billion). TFCA Sumatera is currently faced with a high workload for monitoring and evaluation, including recording of grantees' progress. With the limited budget for the management which is capped at a fixed amount, there is not sufficient flexibility for the Administrator to increase the grant making management capacity of the Administrator to work on grants administration, including M&E, capacity building, and other administration works.

Concerning this matter, the OC agreed to develop regional facilitators through grants focusing on the following key areas:

- a. To increase the effectiveness of project monitoring, evaluation and assistance to grantees for the effective and efficient implementation of the projects towards the achievement of TFCA objectives. Monitoring and evaluation and associated assistance to make necessary corrections of errors is the most important aspect of project management.
- b. To increase the effectiveness of grantees in building partnerships with the government and private sectors in order to achieve conservation objectives

as the public and private sectors play important roles in forest conservation.

- c. To increase the capacity of the grantees' organization and staff members for effective implementation of the project on the ground. In the future, aside from administrative matters, capacity building for grantees should be directed towards increasing the capacity of the grantees' technical skills relevant to their work in the field.
- d. To increase the program's probability of success and sustainability through the provision of technical assistance to grantees on socio-economic matters, local-based entrepreneurship and business development and project exit strategy.

The regional facilitators will assist grantees to effectively achieve the objectives of the projects and at the same time assist the Administrator in undertaking intensive internal monitoring and evaluation and capacity building. Regional facilitators are also designed to be able to liaise the grantees with local authorities and the private sector. Regional facilitators should also facilitate grantees in the development of exit strategy planning and implementation.

There will be regional facilitators in three locations: Medan, Pekanbaru and or Palembang/Jambi. As these representatives are specifically designed to concentrate and intensively monitor grantees from time to time, they have to ensure that there are no repeated problems in project management and they also have to be able to provide assistance and solutions to problems faced by grantees. These regional facilitators should also be able to tackle other duties on capacity building and project sustainability facilitation.

In fulfilling the above objectives, the regional facilitators would, at the minimum have the following three tasks:

1) *Monitoring, Evaluation and Capacity Building*

The main responsibility of the regional facilitators under this activity is to undertake regular M&E and to provide direct input and solutions when grantees are facing difficulties in performing their activities. The regional facilitators have to actively create strategies to build grantees' institutional capacity from time to time. Facilitators must analyze grantees' capacity building needs and should have staff with proven experiences in project monitoring and evaluation, provision of assistance and giving inventive solutions for program and organizational problems.

2) *Multi-stakeholder Liaison and Coordination*

The regional facilitators will have the main responsibility to facilitate or support coordination, communication and to liaison between both the Administrator and grantees with related stakeholders, especially the Government (UPT of Kemenhut and local government) and the private entities. These tasks are important to build the buy-in process by all stakeholders on the conservation projects and their long-term impacts.

3) Capacity building

The Regional Facilitator will coordinate to provide capacity building for the grantees as needed. One of the important topics is social entrepreneurship and exit strategy development which must be embedded in the project since its design. The regional facilitators should be responsible to provide support on social enterprise business development to grantees in relation with the economic development of local communities, for example through business development, products marketing and related business management. In addition, the regional facilitators should also be able to assist grantees in developing exit strategies and project sustainability after the expiration of TFCA support. Capacity building is part of the institutional development for the grantees. The newly accepted grantees will be assisted with project design and financial training (including book keeping). In-house training on technical matters is done continuously during the course of the grant, especially on the correction of error findings during monitoring and evaluation. The Administrator also periodically undertakes shared-learning activities in which success stories from one grantee are shared to other grantees as a model of lessons which may be learned.

7.4. Work Plan and Schedule

The activities outlined in the logical framework (Table 4) are detailed in the workplan and schedule of the activities. The workplan and implementation schedule of this strategic plan are in the table of Annex 1.

7.5. Monitoring and Evaluation

Monitoring is a systematic recording through observation, information collection, analysis, documentation, reflection and action (including replanning).

Monitoring is conducted at all project (program) levels, including grantees, regional facilitators, Administrator, Oversight Committee and external evaluator. At the end of each monitoring activity, there must be an exit meeting to agree on

corrective measures which must be done by the grantees. It is important to further monitor that the agreement on the corrective measures is actually undertaken. The output of the monitoring is a report which also includes the agreement on the corrective measures with the deadline of the finalization and other information used for evaluation.

Evaluation is a systematic determination of a subject's merit, worth and significance, using criteria governed by a set of standards. It can assist to ascertain the degree of achievement or value in regard to the aim and objectives and results of any such action that has been completed. The primary purpose of evaluation, in addition to gaining insight into prior or existing initiatives, is to enable reflection and assist in the identification of future change. Evaluation is therefore, an activity to assess, predict, and determine the project quality or value in order to take a decision in conjunction with five strategic evaluation questions:

- **Relevance:** How the intervention objectives are consistent with the needs of beneficiaries and the policies of partners and donors.
- **Effectivity:** Are we doing the right things?
- **Efficiency:** Are we doing the things right?
- **Sustainability:** Will the project (or the objectives of the project) be sustainable long after the termination of the intervention?
- **Impacts:** What are positive/negative, direct/indirect long-term impacts resulting from the intervention development?

TFCA-Sumatera evaluation is conducted internally by the grantee, by the regional facilitators, by the Administrator or by external evaluator, with the main purposes including:

- a. To ensure that grantees have fulfilled their obligations. This includes activity accomplishment and the use of funds in accordance with the work plan and agreement;
- b. To continuously assess the effectiveness and relevance of the approach and program contents to obtain feedback for grant making policy development and or to review future grant proposals;
- c. To formulate necessary actions to follow on the monitoring results, which may result in a decision to discontinue a grant;
- d. To assess program impacts.

The OC may call for evaluation on the TFCA program to assess the achievement of the key objectives as established in the Strategic Plan, in accordance with the FCA 6.7.1.r (ii).

7.6. Documentation Reporting and Other Deliverables

7.6.1. Reports by Grantees

The grantees are obliged to submit monthly reports on their financial positions. Quarterly and biannual reports must also be sent to the Administrator on the progress, achievements and challenges in project implementation. Narrative annual reports must be submitted by grantees on their financial and programmatic progress at an annual basis. A final report at the termination of the project must also be submitted. The guideline on reporting has been produced by the Administrator, with reviews done as necessary.

7.6.2. Reports by the Administrator

The Administrator must submit to the OC biannual reports on the grant making progress, and narrative annual reports on the position of the trust fund, grant making progress and financial progress. Biannual reports, submitted within 45 days after May 1st and November 1st, contain progress on grantees' financial and program status and in tabulated format. Annual reports must be submitted in narrative format shortly after the end of each year.

The Administrator must also submit a Congressional Report to the U.S. Congress through USAID, Washington DC office on an annual basis every February. The report contains grant making progress for the last five years and short narratives about achievements. Two or three success stories should also be reported together with Congressional Report.

7.6.3. Other Deliverables

The Administrator has produced publications and lessons learned from TFCA grant making in the form of field guides, books of success stories and best practices, policy directives and reports. These may be in the format of printed materials, electronics and media reports such as newspapers and recorded TV shows.

7.7. Communication and Outreach Strategy of TFCA-Sumatera Program

As part of TFCA's governance and management, communication and outreach must be developed with the main objective to show wider audiences the importance of conservation actions in Sumatra through increasing the visibility of the TFCA program, informing relevant stakeholders and assisting the solicitation of support for the program.

The TFCA communication program will be undertaken as part of the larger KEHATI communication strategy and with other programs under the aegis of KEHATI. The communication therefore will be targeted not only to the audience in Sumatra but also to reach wider audiences nationally or globally.

The objectives of the TFCA--Sumatera communication strategy include:

1. To increase the visibility of the program and to inform general audiences (the public) about the program;
2. To inform special stakeholders and solicit support from relevant parties;
3. To document and share all lessons from the implementation of the program; and
4. To develop policy recommendations and directives for the local and national governments or private sector as appropriate;

The strategy employed will be an audience-based and purposive communication strategy. Such a strategy will ensure that the communication activities are based on the needs of each audience and are determined by the purposes of the communication to each audience. Each audience needs different information, using different media, and at different frequencies. The language and complexity of the messages also need to be differentiated based on typology of the targeted audiences.

The goal of the communication strategy is that the TFCA Program will be well supported by wider audiences and scaled up by attracting other donors.

Based on the set objectives, the following are general activities to be implemented:

1. To increase the visibility of the program and to inform general audiences (public) about the program. With the increased visibility, TFCA Program is well known and its activities well published in national and local media. This is important to show the public TFCA's existence and activities. Websites

development and maintenance, including updating, will be the main communication tool as the most visible and accessible media by the general public. Other materials will be in the forms of press releases, TV broadcasts, feature publications, advertisement materials, short films and communication kits such as brochures, leaflets and merchandise. The target is that at least 24 quotes a year will be published in various medias. This will be done through the following activities:

- a. Websites development, maintenance and updating
 - b. Journalists tours and workshops
 - c. Inserting TFCA programs in special TV programs or other media through building cooperation with such media
 - d. Press releases
 - e. Press conferences on certain issues
 - f. Feature and opinion writings
 - g. Placement of advertisement
 - h. Production of short films
 - i. Production of communication kits (brochures, leaflets, books, calendars, merchandise)
2. To inform special stakeholders and solicit support from relevant parties. Governments, donors and private companies may potentially become partners in implementing conservation programs on the ground. These organizations may be able to support and scale up TFCA programs through, for example, matching funds, undertaking complementary projects or activities and taking over the program after TFCA has completed the activities as part of safeguarding the program's sustainability. Some of the activities are as follows:
- a. FGD with NGOs at national and local level
 - b. FGD with government
 - c. FGD with academicians
 - d. meetings with strategic partners
 - e. hearing with local and national governments
 - f. lobbying with businesses sectors
 - g. hearing with donors

- h. proposal development for program scaling up
3. To document and share all lessons from the implementation of the program. Grantees of TFCA-Sumatera have enormous success stories which must be documented and shared with other grantees and stakeholders as lessons learned and in some cases may be translated to guidelines for undertaking the same or similar activities. The activities include:
 - a. Documenting success stories
 - b. Development of field guides
 - c. Publishing success stories
 4. To develop policy recommendations and directives for the local and national governments or private sector as appropriate. In accordance with lessons learned from the implementation of the TFCA-Sumatera program and recognizing and referring to other programs on conservation it is important to provide recommendations on policy directives to local or national governments to enable improvement of policies on conservation. In addition, there are also lessons learned which can be adopted by private companies to implement best management practices. The activities include:
 - a. Various workshops and meetings
 - b. Development of policy materials, including papers, project plans, etc.

In compliance with the Forest Conservation Agreement, the Administrator is obliged to produce semi-annual and annual reports. In addition, TFCA-Sumatera, through USAID, must also submit an annual Congressional Report. These reports may be, in some degree, selectively available to the general public.

Dissemination of the communication materials will be done through all available methods, including posting on the websites, organizing discussions and meetings, courtesy calls or direct communication to government officials, TV and radio broadcasts, social media and newspapers or magazines.

Annex 1. WORKPLAN AND SCHEDULE

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
Conservation Impact: 2 Million ha of forest (including protected areas) will be effectively managed or protected								
Component 1: CONSERVATION POLICY & INSTITUTION STRENGTHENING								Intended Results: A minimum of 2million ha of forests (including protected areas) will be effectively managed and or protected
Objective 1. Strengthening institutions and policies at all administrative levels to improve the forest management effectiveness and sustainability of forests, including through private sector engagement	Developing ecological based spatial planning and or development policy	X			X			2 Perda or KLHS of RTRW published
	Proposing new or extension of existing conservation areas					X		1 proposal of a new conservation area establishment or 1 proposal to extend the existing conservation area submitted to ministry of environment & forestry

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
	Enhancing management capacity of protected areas			X	X	X	X	5 Management Plans (RP) developed
			X	X	X		X	Trained Personnel's of at least 12 National Parks / KSDA Offices
	Strengthening coordination among forestry stakeholders	X		X		X		3 existing collaborative partnership maintained, 1 newly partnership established
	Implementation of BMP schemes by private sectors							2 newly private concessions implement either BMP, HCVF / BBOP / certification / chipped in / provide supports on conservation activities (including forest restoration, species conservation, human-wildlife conflicts mitigation
	Implementation of participatory village development planning	X	X	X	X		X	5 Village development plans
	Implementing Resort Based Management scheme over protected areas		X		X			2 RBM developed and implemented

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
	Advocacy and Developing policy / regulation / guidance on forest / habitat and species protection and conservation	X	X	X	X	X		5 conservation supporting policies published
	Developing species conservation action plans	X	X	X				4 Species conservation Action Plan developed
	Enhancing Law enforcement on combating forest and wildlife crimes	X	X	X	X	X	X	No poaching and associated trade is detected (measured through number of traps found etc.)
	Implementation of Community based forest management	X	X	X	X	X	X	Minimum 5 units or 1,000 ha newly CBFM developed and at least 30 units or 50,000 ha of existing CBFM improved
Component 2: STRENGTHENING FOREST LANDSCAPES CONSERVATION								Intended Result: Contribution to the reduction of deforestation and forest degradation by minimum 10% at the prioritized landscapes

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
Objective 2. Strengthening management intervention practices of forest and land areas at site levels to maintain, protect and enhance forest ecological functions, to reduce deforestation and forest degradation and to ecologically restore degraded forests	Implementing ecosystem restoration schemes	X	X	X	X	X	X	Minimum 500 ha existing forest restoration areas maintained, at least 300 ha degraded forest initially restored, and 20,000 ha critical land (non-forest) rehabilitated
	Strengthening collaborative forest / protected area protection	X	X	X	X	X	X	Minimum of 800,000 ha protected areas secured
	Participatory boundary marking	X		X				Minimum 2 protected areas boundary finalized
	Implementation of forest industrial best practices		X	X	X	X	X	Minimum 2 newly private concessions implement either BMP, HC VF, or BBOP, certification.

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
Component 3: LONG TERM SURVIVAL AND VIABLE POPULATION OF ENDANGERED SPECIES								Intended Results: Secure at least 800,000 ha of habitat of endangered species which contains viable population of tiger, rhinoceros, orangutan and elephant. Reduction of population decline of tiger, rhinoceros, orangutan and elephant by at least by 50% of the current rate and stabilize the viable population in their current available geographical range
	Implementing habitat and ecosystem management, protection and restoration schemes.	X		X	X	X	X	X
	Objective 3. Ensuring long-term survival and viable population of Sumatran key-endangered species, such as Sumatran Tiger (<i>Panthera tigris sumatrae</i>), Sumatran Rhinoceros (<i>Dicerorhinus sumatrensis</i>), Sumatran Elephant (<i>Elephas maximus sumatrae</i>) and Sumatran Orangutan (<i>Pongo abelii</i>)							

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE							TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020		
	Developing and maintaining habitat and ecosystem connectivity (wildlife corridor)	X	X	X					Minimum 3000 ha of wildlife corridor maintained
	Implement integrated population management of endangered species		X	X	X	X	X	X	At least maintenance of existing population (baseline 2007 as stated by MoF documents) of key endangered species as follow: Tiger in 5 landscapes, Rhino in 3 landscapes, Elephant in 5 landscapes, and Orangutan in 3 landscapes
	Eradicating invasive species		X						At least 100 ha with invasive species are eradicated
	Human – wildlife conflict mitigation	X	X	X	X	X	X	X	Incidents or loss of human - wildlife conflict reduced at least 10% in 3 landscapes (baseline 2014)
	Establishing or improving ex-situ conservation facilities (including zoo, breeding and rescue facilities)		X	X	X				Minimum 1 ex situ conservation / breeding facility improved

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
Component 4: LOCAL COMMUNITY EMPOWERMENT AND WELFARE ENHANCEMENT								Intended Results: Increase household incomes by 10% [annually] at some of the targeted areas and Improve at least 10 community groups in economic capacity, which directly or indirectly have positive impacts on conservation.
Objective 4. Empowering local community and enhance their welfare and livelihood, as well as devising incentives for their involvement to enable participation in conservation, protection and management activities of forests] [Strengthening local economy to increase local community and private sectors engagement in conservation activities	Increasing Awareness and outreach	X	X	X	X	X	X	X
								Minimum 30 local people promoted as conservation champions

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
	Implementing Community based forest management	X	X	X	X	X	X	Minimum 10 CBFM groups capacity on organization and forest management technical improved
	Enhancing green economic practices to improve community's livelihood , including agroforestry, organic farming, NTFP, PES, and ecotourism	X	X	X	X	X	X	Minimum 10% increase of household income (baseline 2014)
		X		X	X	X	X	Minimum 20 cooperatives / microfinance established / improved
		X		X	X	X	X	Minimum 30 private companies engaged with communities in order to channeling community's products
		X		X	X	X	X	At least 250 local economic institutions assisted in improvement of production systems (agroforestry, farmer groups, handicraft groups, fisheries group, cooperatives, joint business groups)

MAIN OBJECTIVES	ACTIVITIES	SCHEDULE						TARGET AND INDICATORS BY 2020
		Y-1 2015	Y-2 2016	Y-3 2017	Y-4 2018	Y-5 2019	Y-6 2020	
		X	X	X	X	X	X	Minimum 20 groups implement ecosystem services schemes (Ecotourism, Pico / Micro hydro, commercial water services, etc.)
	Conservation awareness, education and outreach	X	X	X	X	X	X	At least 2 scientific journals, 3 books and 12 films produced and published
				X	X	X		At least 10 schools adopt biodiversity conservation education model



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