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| **Technical field:** | Employment Intensive Investment Programme |
| **Administrative unit:** | ILO Country Office for Indonesia and Timor-Leste |
| **ILO Responsible Official:** | Mr. Peter van Rooij  
Director  
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| **Technical Backstopping Unit:** | Employment Intensive Investment Programme |
| **Collaborating ILO Units:** | Green Jobs |
| **Budget requested:** | USD $ 1.4 million |
| **Evaluation requirements:** | Final Evaluation at the end of the 12 month pilot project |
EXECUTIVE SUMMARY

In acknowledgement of the great need for reduction of emissions from deforestation and forest degradation, the Government of Indonesia has issued an instruction on the freeze of native forest clearing between 2011 and 2013 and an instruction (2/2007) requiring the rehabilitation and conservation of the Ex Mega Rice Project (EMRP) area in Central Kalimantan. A comprehensive Master Plan for the Rehabilitation and Revitalization of EMRP in Central Kalimantan has been drafted to achieve this goal, requiring effective environmental management and a shift towards an economy that supports economically, socially and environmentally sustainable livelihoods.

In line with the EMRP’s Master Plan, this 12-month pilot project seeks to improve access to sustainable livelihoods for local communities in the Ex Mega Rice Project area in Central Kalimantan through introducing participatory local resource-based approaches and building local capacity to rehabilitate degraded forest land, promoting sustainable livelihood development and improving access to socio-economic facilities and markets. To promote sustainable development and “green job” creation, the pilot project will provide support to, and work in partnership with, local indigenous CSOs/NGOs, employers’ and workers’ organizations, while deepening current collaboration and partnerships between the ILO and Government of Indonesia.

1. BACKGROUND AND JUSTIFICATION

• Problem Analysis

In 1995 President Suharto ordered over one million hectares of peat swamp in Central Kalimantan to be drained for conversion to rice growing. This was known as the “mega rice project”. After the peat was drained and canals built, it was found that the soil conditions were not suitable for supporting intensive agriculture. The canals have since been used for transportation of timber and much of the peatland is either abandoned, being turned into palm oil plantations or being used by indigenous people for smallholder agricultural purposes. The degraded land burns frequently, leading to transboundary haze, high levels of greenhouse gas emissions and increases in livelihood vulnerability.

The ex mega rice project area (EMRP) in Central Kalimantan is covered by 927,063 ha of peat soil and the remaining 532,405 ha is covered by mineral soils. Originally, peat swamp forest was the most abundant forest type in the EMRP area and there are several different types of peat swamp forest, depending on the thickness of the peat and the proximity to rivers. However, much of the original forest has disappeared or been badly damaged due to land-clearing, exploitation, drainage and burning. Large areas of land in the EMRP area are now dominated by shrubs and ground cover consisting of ferns and grasses.

• Need for socially and environmentally sustainable livelihoods

The pilot project proposes to work in five villages in Central Kalimantan in locations that were previously part of the mega rice project area. The ex mega rice project area faces many challenges that stem from high incidences of poverty and poor access to sustainable livelihoods, as well as severe environmental degradation.1

For instance, in Pulang Pisau district over 75 per cent of people work in the agriculture, forestry, hunting and fishery sector. Approximately 7 per cent of workers are employed in trade, hotels and restaurants, 5 per cent of workers in the construction sector and 5 per cent of workers in community, social and personal services. Very few people work in mining, manufacturing and other areas in the services sector. The most common area of work in the agriculture, forestry, hunting and fisheries sector is rice farming, followed by rubber plantations, palm oil plantations, other agricultural crops and fishing. Approximately one third of workers in Pulang Pisau are unpaid. Another third of those in the labour force are either own account workers or employers that are assisted by unpaid workers. Approximately 70 per cent of workers in Pulang Pisau earn less than the minimum provincial wage (765,908 IDR in 2008). 85 per cent of people reported that their highest level of education was junior high school.

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1 The analysis provided in this section uses micro data from the labour force survey at the district level. While the data is representative at the district level, it is considered to only be reliable for reporting aggregate variables, with further disaggregation of the data by socio-economic factors, such as gender, likely to provide unreliable / invalid estimations. Therefore, the project would develop a strategy for gender inclusiveness in its inception phase once data has been collected from the targeted villages.
In Kapuas District over 75 per cent of people work in the agriculture, forestry, hunting and fishery sector. Approximately 7 per cent are employment in manufacturing, 5 per cent in trade, restaurants and hotels and 5 per cent in community, social and personal services. Very few people work in the construction sectors and other parts of the services sector. The most common area of work in the agriculture, forestry, hunting and fisheries sector is rice farming and rubber tapping. In the manufacturing sector, most people are engaged in the making of furniture with rattan and bamboo. Approximately 45 per cent of workers in Kapuas are unpaid, while approximately one third of those economically active are employers that are assisted by unpaid workers. A further 10 per cent of people are employees. Approximately 55 per cent of workers in Kapuas earn less than the provincial minimum wage. 85 per cent of people reported that their highest level of educational attainment was junior high school.

While the economy of Palangkaraya district (the provincial capital) is much more diverse than that of Pulang Pisau and Kapuas, conditions are still challenging for the local population. In Palangkaraya approximately 30 per cent of people work in the community, social and personal services sector and 30 per cent work in trade, hotels and restaurants. Approximately 10 per cent of people work in the construction sector and 10 per cent of people work in the agricultural, forestry, hunting and fishery sector. Approximately 50 per cent of people employed are employees, a further 25 per cent are self-employed and 10 per cent are employers that are assisted by unpaid workers. Only 8 per cent of workers are unpaid. However, approximately 40 per cent of workers in Palangkaraya still earn less than the minimum provincial wage. 50 per cent of people reported that their highest level of education was junior high school and approximately 15 per cent of people had a diploma or higher levels of education.

Forest and peatland restoration in the EMRP area is needed in order to support sustainable livelihoods in local communities and to increase biodiversity levels so that the long-term productivity of the forest and peatland is maintained and enhanced. However there are many challenges to sustainable development in Central Kalimantan, include illegal logging, fire management, sustainable cultivation, plantation expansion, encroachment on protected and conservation areas and illegal mining (see table below).

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Description of issues related to deforestation and degradation in the pilot project location</th>
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<tr>
<td>Illegal logging</td>
<td>The Government has issued several regulations on illegal logging, including Presidential Instruction 2005 No.4 on Eradication of Illegal Logging in Forest Area. Illegal logging is an issue in the Ex Mega Rice Project area and law-enforcement is needed to ensure that regulations are properly implemented. Illegal logging in peatland areas deserves particular attention as species regeneration in peat swamp forest is slower than in other forest types, therefore logging has had considerable impacts on both the forest and the environment. However, revenue from illegal logging is a source of income for households within the Ex Mega Rice Project area, entailing need enforcement on the one hand and access to alternative livelihoods on the other hand.</td>
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<td>Fire management</td>
<td>Central Kalimantan has experienced severe droughts associated with the El Niño- Southern Oscillation (ENSO). These conditions, coupled with forest degradation and land-use change have seen widespread fires in peatland areas. Fires can change the original forest vegetation (which had a low risk of fire) to vegetation that is more fire-prone (dries out quickly and burns more easily). In fire-degraded areas there is also an inter-relationship between ecology and hydrology, particularly relating to the frequency and duration of surface flooding which influences the type of vegetation that grows in the affected area.</td>
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<tr>
<td>Cultivation</td>
<td>For smallholders living in rural areas, the remaining forest areas are often viewed as land that could be converted for agricultural cultivation. However, the only truly sustainable use of peatland within the EMRP is as near as possible natural peat swamp forest. This ecosystem has evolved over millennia during which tree litter (leaves, woody material and roots) has contributed to peat accumulation while chemical and physical properties of the peat have influenced the biomass and nutrient cycling of the forest growing on top of it. Peat also releases a range of chemical elements (e.g. aluminium, iron, manganese) and organic compounds (humic, fulvic, stearic acids) that are toxic to plants that are unadapted to them (as natural peat swamp forest trees are) and is deficient in several micronutrients (e.g. copper and zinc) without which crops cannot survive. It is possible in theory to mitigate these problems but this is costly and beyond the means of subsistence farmers. The constant use of ameliorants makes the economics of agriculture on tropical peatland uneconomic and unsustainable.</td>
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### Plantations

The most common plantations in the EMRP area are palm oil and rubber plantations, while timber plantations are scarcer. Such plantation species have particular requirements and generally need to be planted in higher locations or on drained peat soil and need to be supported by fertilisers. Whichever type of crop management is employed, arable or plantation crops, it will experience problems of acidity, toxicity and nutrient deficiency, not to mention drought and flooding. Even if these are overcome by large inputs of costly ameliorants, the peat will still continue to oxidise, decompose and subside until it disappears. This will lead to progressive increases in the severity and duration of alternate flooding and drought with eventual exposure of the underlying mineral substrate that, in the EMRP, will be either nutrient deficient quartz sand or clay or potential acid sulphate soils. In each event the prospects for the future of agriculture and plantations cannot be considered sustainable in the longer-term.\(^3\)

### Mining

Illegal mining involves eroding the shoreline and increasing sediment in the river in the EMRP area. Illegal mining is a problem in Block E, while the extent of mining operations in Block C is unknown.

In addition to the above mentioned challenges, Indonesia is the third largest contributor of GHG emissions in the world, largely due to rapid rates of deforestation and peat land degradation. According to the World Bank, emissions from land use change and forestry (LUCF) represent 85 per cent of the country’s total emissions. Peat land degradation – due to fires and deforestation – is a particular concern as it accounts for 73 per cent of the LUCF emissions.\(^4\)

Moreover, Indonesia’s deforestation rate was ranked second fastest in the world by the FAO in 2007. Between 1990 and 2000, 19.1 million ha of forest were lost, which represents an average loss of almost 2 million ha per year.\(^5\) More recent studies indicate that deforestation has slowed down between 2000 and 2006, with an average loss of 1.2 million ha per year.\(^6\) According to FAO, 4.9 million tonnes of pulp were produced each year between 2005 and 2009,\(^7\) with the majority of pulp wood plantations coming from natural forest conversion. As the current plantation areas are not sufficient to meet the growing demand, forest conversion and deforestation are likely to increase, unless there are incentives in place to halt these.\(^8\)

- The Master Plan for the Rehabilitation and Revitalization of EMRP in Central Kalimantan

In acknowledgement of the great need for preventing further degradation and deforestation in the ex- mega rice project areas, President Yudhoyono issued an instruction in 2007 (2/2007) requiring the rehabilitation and conservation of the Ex Mega Rice Project (EMRP) area. In 2008 a comprehensive EMRP Master Plan was drafted to achieve this goal. The Master Plan for the Rehabilitation and Revitalization of EMRP in Central Kalimantan has identified six main programmes to support sustainable development in the area, namely:

1. Fire prevention and management;
2. Spatial management and infrastructure;
3. Sustainable peatland management and conservation;
4. Agricultural revitalization;
5. Community empowerment and socio-economic development;
6. Institutional development and capacity building.

Peatland regeneration and green value chain approaches can support the need to conserve biodiversity when participatory local resource-based approaches are applied that take into account local knowledge and techniques. To ensure the long term success of peatland rehabilitation and revitalization activities, initiatives need be focused on improving access to alternative, sustainable livelihoods for local communities that depend primarily on the peat land forests. Communities have an important role to play in reducing emissions from deforestation and peatland degradation through applications of approaches such as community-based forest management and community-based

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3. Ibid.
7. FAO (2010), [http://www.fao.org/docrep/014/i1211m/i1211m09.pdf](http://www.fao.org/docrep/014/i1211m/i1211m09.pdf)
agro-forestry that can support sustainable development of the value chain and improve agricultural productivity. Support to facilitate access to green livelihoods is needed both now and in the future, in three main areas, including:

- Investment to support the rehabilitation and maintenance of environmental assets and biodiversity;
- Infrastructure investment to provide a facilitative environment for access to green livelihoods;
- Investment in value chains to promote access to commercial markets, through development of market information and buyer networks, to improve the quality and sustainability of access to green livelihoods.

Over time donors have funded various projects in the EMRP area, including the Climate Change, Forests and Peatlands in Indonesia project (2002-2005), the Central Kalimantan Peatland Project (2005-2008) and the current AusAID funded “Kalimantan Forests and Climate Partnership” (KFCP) (2009-2013). Projects have focused on reduction of deforestation and degradation of peat swamp forest, green house gas monitoring, demonstration of payment mechanisms and institutional capacity building on REDD. However, the results of these projects are at risk of being jeopardised by forest fires, particularly in dry seasons. Experiences from previous projects emphasize the need for consultation and full engagement of local populations, attention to human rights and customary land rights, as well as attention to technology choice when implementing works to optimize the potential for generating local employment. The importance of compensation and access to alternative livelihood options in the long term has been stressed by communities to be a prerequisite for sustaining results over time.

The development of economically viable and environmentally sustainable value chains for selected commodities and products from regenerated peatland and other agricultural lands will play a critical role in this regard. In this context, improving local and national market access to non-timber forest products including through improvement of connectivity, preventing local market failures and training of local men and women will be a priority. Action in this area will be guided by the 2008 EMRP Master Plan which has identified several commodities that should be the subject of sustainable value chain development, including rubber and other resins, rattan, medicines, fruits, vegetables and livestock.

- **ILO Capacity**

The 21st century faces two defining challenges, namely 1) to avert dangerous climate change and a deterioration of natural resources which would seriously jeopardize the quality of life of present and future generations and 2) to deliver social development and decent work for all. These two challenges are intimately linked and call for shifts towards more socially and environmentally sustainable economies and livelihoods. The promotion of employment and livelihoods that are economically, socially and environmentally sustainable has been an issue of long-standing concern to the ILO and falls within the organization’s core mandate on promotion of social justice. The overall strategy of the ILO to promote sustainable development is reflected in its international standards setting, research, information dissemination and technical cooperation work. The ILO’s Green Jobs Programme has been spear heading initiatives on transitioning to a just and sustainable, low-carbon economy through promoting employment that is both sustainable and decent. The Green Jobs initiative is part of the United Nations system-wide strategy for addressing climate change. In addition, the ILO’s Employment Intensive Investment Programme has been leading work on local investments for supporting climate change mitigation and adaptation through its global initiative on “Green Jobs through Green Works”.

The ILO has a global portfolio of tools and activities that support the application of green jobs that can be adapted to the national context, as well as long-standing experience and technical expertise to advise on the transitioning to a low carbon economy that is job rich and inclusive. These include flagship tools on local resource-based approaches to investing in infrastructure, integrated rural accessibility planning and community contracting, as well as modules that

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9 The current AusAID funded “Kalimantan Forests and Climate Partnership” (KFCP) (2009-2013) worth $47 million AUD includes components related to reduction of deforestation and degradation of peat swamp forest, green house gas monitoring, demonstration of payment mechanisms and institutional capacity building on REDD. The project is targeting the re-flooding of 25,000 ha and re-planting of 3,000 ha in Block A of the EMRP area. The KFCP has identified plant species appropriate for reforestation of degraded peatland, established a nursery and delivered local training on planting techniques, with replanting piloted on two 25 hectare plots. Estimates from AusAID indicate that costs of rehabilitation through tree-planting are approximately $1,112 AUD per hectare.

The reception of the KFCP has been mixed, with Dayaks and environmental NGOs highlighting the need for further consultation and attention to human rights and customary land rights. KFCP’s work associated with blocking large canals using capital intensive methods has been slow to progress. However, progress using labour intensive methods to block smaller canals has been more forthcoming, with local communities supporting initiatives but also expressing concern associated with access to livelihoods. The importance of compensation and access to alternative livelihood options in the long term has been stressed by communities.
support skill development in emerging green industries including agro-forestry, waste management, green buildings, eco-tourism and renewable energy.

This pilot project was developed on the basis of ongoing cooperation and consultation with key stakeholders, and builds on the ILO’s past technical cooperation experiences and continuing cooperation with Government institutions and workers’ and employers’ organisations. The pilot project shall therefore draw on the technical support and expertise, experience and knowledge of the Employment Intensive Investment Programme and the Green Jobs Programme in Geneva, the Regional Office for Asia and the Pacific and the country office in Jakarta. The Pilot project will leverage ongoing partnerships and programs that are being implemented through the ILO Country Office for Indonesia and Timor-Leste, particularly through the AusAID-sponsored “Green Jobs in Asia Project” as well as projects funded through the Multi Donor Fund for Aceh and Nias including the “Nias Islands Rural Access and Capacity Building Programme” and the “Capacity Building for Local Resource-based Road Works in Aceh and Nias Project”. The pilot project also benefits from previous projects on skills and entrepreneurship. The table below provides a summary of initiatives that share synergies with the current pilot project.

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<th>Project</th>
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<td>Green jobs</td>
<td>To deepen ILO constituents understanding and commitments for the promotion of gender sensitive green jobs opportunities and a just transition for workers and employers towards a low-carbon, climate resilient, environmentally friendly development the ILO is implementing the “Green Jobs in Asia” project between 2010 and 2012. The Green Jobs in Asia Project seeks to increase access to reliable sources of data and information on green jobs and training, including on the employment impacts of environment-related policies, good practices and skills needs. The project also assists actors of the world of work in the development of a robust sustainable tourism industry that can create decent jobs by working at policy level and implementing pilot activities on the ground, including in Central Kalimantan. Support to green industry standards, competency based training for green jobs and green entrepreneurship in sustainable tourism are some of the critical activities undertaken in Indonesia as a first step.</td>
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<td>Employment Intensive Investment</td>
<td>EIIP currently has two flagship projects in Indonesia, namely the “Capacity Building for Local Resource-based Road Works in Aceh and Nias Projects” (The Roads Project, 2006-2012) and the “Nias Islands Rural Access and Capacity Building Project” (Nias-RACBP, 2009-2012). Both projects are funded by the Multi Donor Fund for Aceh and Nias and designed in response to the devastating tsunami of December 2004 and the major earthquake of March 2005. The Roads Project’s strategy focuses on contributing to economic recovery by improving road connectivity, providing local employment opportunities, building skills among workers and contractors, and strengthening local government capacities for using local resource-based road construction and maintenance approaches. The project creates jobs for local communities while addressing needs for asset rehabilitation in a post-crisis and reconstruction context. The Aceh Road Project is managed under supervision of the Ministry of Manpower and Transmigration and is executed in 2 districts in Aceh. Nias-RACBP is executed jointly by the Ministry of Disadvantaged Areas and the ILO in 5 districts on Nias Islands. It supports improvements in rural transport infrastructure in selected areas using a local-resourced approach, so that the people of Nias Islands can benefit from enhanced participation in markets and enhanced access to services. The project provides training to the local district public staff, local contractors and communities. Knowledge sharing experiences are regularly conducted through exposure site visit, involving local, provincial and national government staff. More recently, the ILO has been active in promoting climate change adaptation through employment-intensive methods and green works approaches to support sustainable livelihoods and poverty reduction in rural areas. Development of local infrastructure and public works play a major part in adaptation to climate change.</td>
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<td>Entrepreneurship and skills training</td>
<td>The “Combating Forced Labour and Trafficking of Indonesian Migrant Workers” (Migrant Project 2006-2012) addressed the needs, rights and concerns of Indonesian migrant workers throughout the migration cycle. To support productive use of remittances, the project provided financial education to improve financial inclusion of migrant workers and marginalized groups, as well as</td>
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entrepreneurial capacity building for government and non-governmental agencies. Various economic empowerment activities promoted by the project has been adopted as the strategy by the government such as the Ministry of Manpower and Transmigration, Bank of Indonesia, National Placement Agency (BNP2TKI), and some other sub-national government agencies.

The *Education and Skills Training for Youth Employment in Indonesia (EAST)* was a four year project, funded by the Government of the Netherlands and executed by ILO, that aimed (a) at improving employability and capacity for entrepreneurship among young women and men through improved access to high-quality and relevant educational and training opportunities, and (b) at contributing to the elimination of child labour. The project demonstrated that coupling entrepreneurship training with vocational skills training doubles the likelihood of finding employment or starting business after training for youth. In addition it developed curriculum on life skills education training and facilitated development of a strategy for improving the quality of training provided by non-formal trainers that was adopted by the Ministry of National Education.

**Target Groups and Partners**

The pilot project will focus its interventions at the provincial level in Central Kalimantan, and select five villages to work within the ex mega rice project area. The pilot project proposes to work in Block C and/or Block E of the EMRP area, which covers areas in Palangka Raya District, Kapuas District and Pulang Pisau District. In 2009 almost two thirds of the vegetation in Block C was predominantly shrub, open shrub or under cultivation. Shrub and open shrub include large areas dominated by ferns and grasses in previously logged, cleared or burnt areas and such land is difficult to rehabilitate. Block C also has palm oil plantations on deep peat (greater than 3 meters deep). The remaining one third of the vegetation is forest or degraded forest. Severely degraded forest covers a relatively large area in Block C and an active approach to rehabilitation of these forests is required due to the isolated location and absence of original forest in its immediate neighbourhood.

Block E has the largest part of forest area remaining, only being partly logged. Parts of Block E contain large contiguous forest areas which provide good opportunities for using natural regeneration processes for the rehabilitation of these areas. In the eastern part of Block E (Mawas area), several thousand logs are taken out monthly (mainly consisting of *Jelutung* (*Dyera polyphylla*) and *terentang* (*Campnosperma coriaceum*)). In some villages in the area (e.g. Mentangai, Manusup) many sawmills are operational. Also in the Western part of Block E illegal logging activities are ongoing with several operational sawmills. The AusAID project is active in Block E and has had some progress in relation to the blocking of small traditional hand-dug canals (handil). According to project personnel working in the area, local people are generally supportive of the canal-blocking efforts, although they have concerns regarding the negative impact that canal-blocking may have on their livelihood activities.

As mentioned, the pilot project proposes to work in five villages from Palangka Raya District, Kapuas District and/or Pulang Pisau district in Block C and Block E of the EMRP area. During the inception phase of the pilot project, possible locations for the pilot project sites will be further analysed and selection finalised with counterparts and technical experts. During this phase the pilot project will also assess the various approaches available for peatland rehabilitation, and design a demonstration pilot on peatland regeneration using local knowledge and participatory local resource-based approaches to improve access to sustainable livelihoods.

The pilot project will be executed in close collaboration with the National and Provincial REDD+ Taskforces, as well as with relevant line ministries, to ensure coherence between the pilot project’s activities and objectives of the Master Plan for Rehabilitation and Revitalisation of the Ex Mega Rice Project Area and associated low carbon development strategies. In addition the pilot project will partner with a local non-government organization to support activities associated with community facilitation and after training support programmes, and the University of Palangka Raya to support technical and scientific assessments and development of guidelines and various publications. Employers’ and workers’ organizations will be involved in training and value chain development activities. Training programmes will involve agencies that work on community facilitation and field extension to enhance skills in coordination, collaboration and participation between local institutions and community organizations. Key stakeholders of the pilot project include:

1. National and Provincial REDD+ Taskforces;
2. The Office of the Governor and the Heads of the Districts;
3. Ministry of Manpower and Transmigration (MoMT);
4. Ministry of Public Works (DPU);
5. United National Office for REDD Coordinating in Indonesia (UNORCID);
6. Local Non-government organizations;¹⁰
7. Training providers (non-formal or public);
8. University of Palangka Raya;
9. KADIN (Chamber of Commerce) and APINDO (Employers Associations);
10. Trade Unions;
11. Cooperatives;
12. Local Media.

These institutions and organizations will also be involved at various stages of the pilot project, particularly for the purpose of determining opportunities for cooperation, and for research and mapping purposes and capacity building activities. A project steering committee, which will be involved in overseeing the implementation of the pilot project, will be established at the provincial level involving representation from the abovementioned stakeholders.

The ultimate beneficiaries and direct recipients of the pilot project are as follows:

**Ultimate beneficiaries**
Women and men who live in the ex mega rice project area as well as indirect beneficiaries such as cooperatives, enterprises and trade unions who will benefit from improved access and value chain development. There will be a specific focus on targeting the inclusion of indigenous people from poor and marginalised backgrounds, women, youth and people with disabilities.¹¹

**Direct recipients**
Staff of government agencies at the provincial and district level, including representatives from the Ministry of Manpower, Ministry of Public Works, Ministry of Forestry, Ministry of Agriculture, as well as Kadin, Apindo, trade unions and civil society organisations district and provincial level in Central Kalimantan.

- **Overview of stakeholders’ involvement**

The pilot project was formulated in consultation with stakeholders through the process, including the National and Provincial REDD+ Taskforces, the Ministry of Manpower and Transmigration, employers’ organizations (APINDO), workers’ organizations (KSPSI) and indigenous civil society organizations (LDP). In particular, employers’ and workers’ indicated that there is a need for establishing and supporting development of sustainable value chains, in order to improve the livelihoods of their members. All stakeholders highlighted the importance of including local communities and stakeholders as beneficiaries and as implementing partners as much as possible.

**REDD+ Programme**: The pilot project is part of Indonesia’s “Reduction of emissions from deforestation and forest degradation” (REDD) programme and the project will therefore be under the overall guidance of this programme and seek to build synergies with other projects being implemented under this programme. The pilot project falls under the direct supervision of the REDD+ Taskforce in Central Kalimantan and the overall supervision of the National REDD+ Taskforce. The provincial REDD+ taskforce includes representatives from the Governor’s Office, the Department of Planning Office, line ministries at the provincial level including forestry, mining, plantation and agriculture, as well as experts from the University of Palangkaraya. The pilot project acknowledges that there is a great need for coordination and cooperation between agencies that are supporting the implementation of the REDD programme and the Master Plan for Rehabilitation and Revitalisation of the Ex Mega Rice Project Area. The project is committed to joint programming and coordination with other interventions in the field, where there are comparative advantages and opportunities for strengthening sustainable local economic development. The pilot project will explore opportunities for supporting the REDD+ programme on policy development.

**Ministry of Manpower and Transmigration**: The pilot project will develop partnerships with the provincial and district manpower offices on skills development activities as well as on its employment intensive programmes. The pilot project will work with the district and provincial manpower offices to identify opportunities for strengthening

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¹⁰ Preliminary discussions have been held with a local NGO named Lembaga Dayak Panarung (LDP).
¹¹ The project will define the specific target indicators for the inclusion of indigenous people from poor and marginalised backgrounds, women, youth and people with disabilities in its inception phase, once the villages have been selected and information on local demography is available.
their programmes and capacities through to developing capacity building frameworks and related materials. The pilot project will also strengthen the capacity of the district and provincial manpower offices on strategies for sustainable development and on “green job” creation.

**Indigenous Civil Society Organizations:** The pilot project will cooperate with local indigenous civil society organizations and non-government organizations for community facilitation and capacity building activities. This will include participation of local indigenous CSO / NGOs in “training of trainers” programmes for community facilitation and other value chain development activities. The scope and nature of the partnerships will be determined through extensive consultations and targeted capacity building activities with selected CSOs/NGOs. It is anticipated that indigenous CSOs/NGOs will become implementing partners to support community facilitation, capacity building and awareness raising activities for rehabilitation activities, small works and green value chain development.

**Employers’ organizations:** The pilot project will explore opportunities for partnerships with APINDO and KADIN in its inception phase in order to develop a framework for cooperation on capacity building activities for employers to strengthen their role in the value chain. This will include participation of employers in training of trainers’ programmes as well as in selection of commodities to be developed using the green value chain approach. The employers’ network will play an important role in identifying potential opportunities for strengthening access to local and national markets for target communities. It is anticipated that employers’ organizations may become implementing partners to support capacity building and awareness raising activities in targeted sectors and be involved in piloting methods to support green value chain development.

**Workers’ organizations:** The pilot project will explore opportunities for partnerships with local trade unions in its inception phase in order to develop a framework for cooperation on capacity building activities for workers’ organizations to strengthen their organization and bargaining power in the value chain. This will involve a mapping of the involvement of workers’ organizations in selected commodities to be developed using the green value chain approach. It is anticipated that workers’ organizations may become implementing partners to support capacity building and awareness raising activities in targeted sectors and be involved in piloting methods to support green value chain development. Capacity building activities may involve trade unions as both beneficiaries and partners.

### 2. STRATEGY AND LOGICAL FRAMEWORK

2.1 **Description of the pilot project strategy**

In line with the EMRP’s Master Plan, the pilot project will draw on traditional knowledge and practices to promote peat land regeneration activities, green value chain, and local economic development. ILO Conventions and focus on social justice will provide the framework for the consultation with and the participation of communities in the design and implementation of activities. In particular, Convention 169 on the Rights of Indigenous and Tribal Peoples, as well as the Free and Informed Prior Consent (FPIC) framework, will provide the guiding principles for working with communities. To ensure the sustainability of the approach, the pilot project will focus on community driven participatory decision making, involving local organizations and employers’ and workers’ organizations.

The pilot project will raise awareness on the ILO’s core conventions as well as the support application on Recommendation 195 on Human Resource Development. Indigenous safeguards, namely the Convention 169 on the rights of indigenous and tribal peoples, will be integrated within the social safeguards framework, particularly on rehabilitation and value chain activities as well as on small works activities which are associated with land use and land rights. The pilot project will also seek full adherence to the Government of Indonesia’s policies on promoting the collective rights of indigenous people and will draw on the relevant elements of the UN Declaration on the Rights of Indigenous People that was adopted in September 2007. Key elements related to ensuring the rights of indigenous people relate to; a) the rights on land; b) the rights on natural resources, and; c) the implementation of effective consultative mechanisms with indigenous people in decision making.

The pilot project will adopt a results based framework to ensure that objectives and outputs are measurable. Initiatives will be based on thorough understandings of degradation, will be responsive to contexts and will seek to address the causes – not just the symptoms – of degradation to support regeneration of peat land and sustainable value chain development in the long term. Interventions during the pilot project will primarily focus on the community empowerment and socio-economic development programme, sustainable peatland management and conservation and the institutional development and capacity building programme of the Master plan, and
coordinate with the spatial management and infrastructure programme, the agricultural revitalization programme and fire prevention and management programme through supporting livelihood development and improving rural access.

The pilot project includes three components that complement each other to create a synergetic effect for sustainable development of the local economy. The pilot project’s central theme is **sustainable access to livelihoods** and the three components support investments in the environment and improvements in connectivity and access to markets.

The pilot project will be informed by the spatial plans of the Ex-Mega Rice Project area and the community’s needs for access to sustainable livelihoods through applying an *integrated rural accessibility planning* approach that considers the state of infrastructure and community assets in order to determine how investments can help to address need for sustainable local social and economic development. For example, to facilitate access to sustainable livelihoods, connectivity between rubber plantations and markets may be targeted. Alternatively, investments in retaining walls, piled crossings, piled drifts or small weir may be needed to support access to green livelihoods. This approach has been used successfully by the ILO in East Kalimantan, Aceh and North Sumatra. Implementation capacity will be enhanced through **skill development and capacity building** to improve the quality of both the assets and the skills of government staff, contractors and communities for maintaining the asset. To ensure inclusiveness, the pilot project will adopt a *participatory local resource based approach* to strengthen local ownership of initiatives and involve employers’ organizations and workers’ organizations where there is opportunity. To ensure the sustainability of the assets, the pilot project will foster a **culture of maintenance** to ensure that assets are not only preserved, but that the period over which the asset can be utilized is extended.

Sustainable livelihoods will be developed through community, including employers’ organizations and workers’ organizations, and government involvement in the design, planning, implementation, evaluation, and documentation of programmes. A **green value chain approach** will be used to assess the potential sectors, skills gap, and market demand. A strategy to green the value chain and ways to create employment-rich, low carbon development would be developed based on the assessment of the value chain. Based on the analysis of market potentials and available resources, training needs would be identified in collaboration with the local stakeholders. Throughout the process of delivery of the trainings, capacity of training providers (non-formal, and public) would be improved using ILO approaches and methodologies associated with competency and demand-based trainings, certifications, and after training support.

The finding from the ILO’s Education and Skills Training Project (EAST), which demonstrated that coupling entrepreneurship training with vocational skills training doubles the likelihood of finding employment or successfully starting a business for trainees, will be considered as best practice. Therefore, **capacity building** initiatives for green value chain and local economic development will involve (a) selection of target commodity for value chain development, (b) value chain mapping, analysis, and intervention design (c) skills needs assessment based on an analysis of market potentials, (d) competency-based skills training that are inclusive and incorporate indigenous knowledge and techniques, (e) assessment and certification, (f) linkages with sources of start-up capital, placement services and technical coaching.

The green value chain development and provision of trainings and assessment will look into short-term gain market potentials, which the community could be benefited in a rather short time (6-8 months), for example livestock, food processing, and fast moving consumer products.

The pilot project design recognizes the importance of **empowering women** and anticipates its works and value chain activities will enhance employment opportunities of women. The principle of equal access to employment opportunities will be an overarching principle in the pilot project’s strategy. Clauses in contractual agreements with service providers and communities regarding this principle of equal access to employment opportunities and a proactive approach in promoting the participation of women in the workforce aim at a substantial participation of female workers in the implementation of the pilot project’s activities. It is envisaged that at least 30 per cent of the beneficiaries of the works components of the pilot project (outputs 1 and 2) will be women, and that at least 40 per cent of the beneficiaries that are trained on activities associated with value chain development (output 3) will be women. During the inception phase of the pilot project, a gender strategy will be developed to ensure that pilot project’s activities will be planned and implemented in a gender-sensitive way.

### 2.2 Lessons Learned
This pilot project benefits from the experiences and lessons learned from the implementation of previous and ongoing projects. The pilot project is able to draw on practices comprising of best practices that have been proven to be effective in many circumstances. General lessons learnt that the pilot project will draw upon include:

- Support implementation of master plans through providing technical assistance at the local level in order to translate master plans into implementable actions and monitor achievements at the local level.
- Support community participation and encourage local ownership through the active involvement of the different groups of beneficiaries in the identification, prioritization, selection, planning, programming and implementation of the pilot project’s activities. In particular, Convention 169 on the Rights of Indigenous and Tribal Peoples, as well as the Free and Informed Prior Consent (FPIC) framework, will provide the guiding principles for working with communities.
- Foster coordination to facilitate transparency and accountability in the development process and to build synergies between the pilot project and the efforts of the Government.
- Build capacity to support sustainable development through vocational skills training and enterprise skills training, access to start up capital, and business development services.
- Base sustainable livelihood development and invigoration of the local economy on an analysis of market potentials through a comprehensive value chain assessment.
- Optimize the use of local resources the recovery activities to promote social and environmental sustainability and support a green economy.
- Incorporate gender equality principles to increase women’s participation in the labour market.

In addition, the pilot project will coordinate with the United Nations Office for REDD+ Coordination in Indonesia (UNORCID) and other UN agencies, such as FAO, UNODC, UNESCO and UNOPS, that have been invited by the Provincial REDD+ Taskforce to prepare pilot projects. The lessons learnt from previous projects in Aceh and in Eastern Indonesia indicate that inter-agency coordination is one of the crucial factors in launching pilot programmes.

The pilot project will use the existing ILO modules, methodology and approaches that have been implemented in other parts of Indonesia through various ILO’s technical projects, such as:

- Start and Improve Your Business Entrepreneurship module;
- Gender and Entrepreneurship Together (GET Ahead) Module;
- 4-in-1 guideline for non-formal training providers;
- Setting up small business associations;
- creating activity of saving and loans through community groups;
- cooperatives and micro finance institutions strengthening and development;
- Training for Rural Economic Empowerment (TREE) Module;
- Gender Mainstreaming Strategies (GEMS) Tools;
- Financial literacy modules.

In summary, based on above best practices and lessons learned, the pilot project will support implementation of the Master Plan through coordinating implementation with stakeholders, fostering community participation, building capacity and raising awareness, analyzing market potentials and optimizing use of local resources within the development process.

2.3 The Logical Framework

The proposed areas of intervention and strategy are based on the recognition that there is a great need to transition to a just and sustainable, low-carbon economy through promoting employment that is both sustainable and decent.

2.3.1 Development Objective

The pilot project is linked with the Provincial Government of Central Kalimantan’s Master Plan for the Rehabilitation and Revitalisation of the Ex Mega Rice Project Area. The pilot project’s development objective therefore seeks to:
To ensure the long term success of peatland rehabilitation and revitalization activities and to meet the poverty reduction goals of the Government, initiatives need be focused on improving access to sustainable livelihoods for local communities over time. Communities have an important role to play in reducing emissions from deforestation and peatland degradation through applications of approaches such as community-based forest management and community-based agro-forestry that can support sustainable development of the value chain and improve agricultural productivity. Peatland rehabilitation and revitalization entails on-going and long-term activities that are only sustainable with community participation and engagement. Indigenous groups have experience in managing peat forests and a participatory approach is needed in order to benefit from such knowledge and techniques. Against this background, this pilot project seeks the following:

- Active involvement of local communities and authorities in rehabilitation and revitalization of peatland and associated value chain development through participatory approaches based on Convention 169 and FPIC approaches and capacity building;
- Design and implementation of rehabilitation and revitalization programmes as well as access programmes following a participatory local resource-based approach that takes into account local knowledge and techniques;
- Understanding and addressing the causes (not only the symptoms) of degradation to support sustainable economic, social and environmental development in the long term;
- Increasing access to opportunities for sustainable livelihoods and income generation for the local communities that are most affected by deforestation, peatland degradation and the need to reduce carbon emissions.

**Link to DWCP**

This pilot project contributes to outcome one of the current Decent Work Country Programme (DWCP) for Indonesia (2012-2016) by supporting employment creation for inclusive and sustainable growth through optimising the employment outcomes of public and community investments. The pilot project will promote the application of employment intensive methodologies and local resource-based approaches in public investment programs. More specifically, it supports the following DWCP areas:

1. Employment creation for inclusive and sustainable growth
2. Optimized employment outcomes of public and community investments

The pilot project will support country programme outcome (CPO) IDN127, which seeks to “support Indonesian constituents to optimize the employment outcomes of public and community investments in infrastructure and other works”. This CPO is currently a target CPO for 2012-2013.

In addition, component two of the pilot project will link to IDN 126 for “improving employability and access to employment for young people through skills and entrepreneurship training” and IDN 129 for “improving access to finance and development of cooperatives”.

**Programme and Budget**

**Outcome 1:** More women and men have access to productive employment, decent work and income opportunities

**Indicator 1.5:** Number of member States that, with ILO support, show an increasing employment content of investments in employment intensive infrastructure programmes for local development.

**Link to National Development Frameworks**

12 Note: The DWCP for 2011-2014 is still in formulation and not yet official endorsed by constituents.
In 2010 the Government of Norway signed a letter of intent with the Government of Indonesia to provide support for Indonesia’s efforts in reducing deforestation. Indonesia agreed on a freeze on native forest clearing between 2011 and 2013, in return for USD $1 billion from Norway for forest protection until 2020.\(^\text{13}\) Central Kalimantan is the first pilot province in Indonesia that will have activities funded through this partnership agreement.

REDD+ interventions in Central Kalimantan respond to the province’s context and needs for interventions in support of sustainable development on target issues. More specially, in 2007, President Yudhoyono issued an instruction (2/2007) requiring the rehabilitation and conservation of the Ex Mega Rice Project (EMRP) area. In 2008 a comprehensive EMRP Master Plan was drafted to achieve this goal. The Master Plan for the Rehabilitation and Revitalization of EMRP in Central Kalimantan has identified six main programmes to support sustainable development in the area, namely:

1. Fire prevention and management;
2. Spatial management and infrastructure;
3. Sustainable peatland management and conservation;
4. Agricultural revitalization;
5. Community empowerment and socio-economic development;
6. Institutional development and capacity building.

Interventions during the pilot project will primarily focus on the **community empowerment and socio-economic development programme**, **sustainable peatland management and conservation** and the **institutional development and capacity building programme** of the Master plan, and coordinate with the spatial management and infrastructure programme, the agricultural revitalization programme and fire prevention and management programme through supporting livelihood development and improving rural access. A description of the pilot project’s relation to each element of the master plan is provided in the table below.

<table>
<thead>
<tr>
<th>Master plan component</th>
<th>Description of the pilot project’s interventions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable peatland management and conservation</td>
<td>The main interventions to support peatland management and conservation include (a) hydrological rehabilitation consisting of the construction of approximately 700 dams, (b) management and rehabilitation of forests using approaches including natural regeneration, assisted natural regeneration, community-based forest management, community-based agro-forestry and reforestation, (c) conservation zoning and (d) boundary management for protection and conservation. The choice for a certain approach to forest rehabilitation in a particular zone is dependent on existing hydrology, soil condition / peat depth, forest condition, and local forest use. On community land, rehabilitation will use community based methods, while in remote areas either large-scale forest rehabilitation or natural succession will be required. The Master Plan indicates that Blocks C in the Mega Rice Project area now has less than one third of forest and degraded forest remaining. Spatial plans in Block C have reallocated areas from conservation zones to production forest or for other uses, with oil palm plantations being developed. Much of the forest in Block E remains intact; however there are problems with illegal logging.</td>
</tr>
<tr>
<td>Fire prevention and management</td>
<td>The Master Plan calls for an integrated approach, which builds synergies between the measures outlined in the Programme on Peat land Management, Rehabilitation and Conservation, and measures outlined in the Programme on Fire Prevention and Management and the Programme on Community Empowerment and Socio-Economic Development. It states that peat land regeneration activities should be coordinated with fire prevention, peatland management and livelihood interventions. Without fire</td>
</tr>
</tbody>
</table>

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prevention and management, efforts on rehabilitation and revitalization are at high risk of failure.

While the pilot project will not work directly on fire prevention and management, the pilot project will seek to foster synergies and coordinate interventions that fall within the abovementioned programmes in order to optimise outcomes and support gains in efficiency. The pilot project will provide explanations on the importance of peatland restoration and fire prevention, while improving access to alternative opportunities for income generation through introducing/improving (green) value chains and undertaking replicable small-scale demonstration works that provide employment opportunities. In addition, the pilot project will undertake small-scale works to rehabilitate peat land and protect ecosystems and improve rural access using local resource-based approaches and community contracting modalities. Community contracts include social and environmental safeguards that may consist of provisions that require the community to monitor and report on peat land and forest fires and other issues within a specific parameter of the pilot project site.

### Spatial management and infrastructure

The pilot project will coordinate with the spatial management and infrastructure programme of the Master Plan, in order to ensure that the small scale works undertaken by the pilot project are consistent with spatial management and infrastructure plans. However, the pilot project will not work directly on spatial management and infrastructure planning.

The pilot project will use a “local resource-based” approach for investing in community infrastructure to optimize outcomes for local economic development and improve access to markets and social services. A local resource-based approach combines the use of an optimum mix of labour and light equipment to ensure that quality standards for infrastructure development can be maintained, while at the same time optimizing the potential for generating local employment. Using a local resource-based approach provides a framework for participatory planning. ILO’s experience from Aceh and Nias shows that involving communities in the planning allows people from disadvantaged groups, including women, to access the work opportunities.

Small scale works undertaken in component one (peatland regeneration) and component two (rural access) will support improvements in access to local and national markets through developments in the rural transport network, while value chain activities will support access to commercial markets in terms of market information and buyer networks. Investments may focus on connectivity between rubber plantations and markets, as well as other works such as retaining walls, piled crossings, piled drifts or small weir to support access to green livelihoods.

### Agricultural revitalization

The pilot project will coordinate with the agricultural revitalization programme of the Master Plan, in order to ensure that value chain development activities undertaken by the pilot project are consistent with agricultural revitalisation initiatives. The pilot project will support green value chain development for one, maximum two, selected commodities that are prioritised within the Master Plan (rubber and other resins, rattan, medicines, fruits, vegetables, livestock, etc), within the context of the rehabilitation program of peat swamp forests.

The pilot project will undertake a value chain analysis and will design pilot project intervention for sustainable upgrading solutions in the value chain systems. This will include skills and entrepreneurship training. In addition, training will be provided on community organization and cooperative development as a possible strategy to engage local communities into improving productivity, accessing financial products and local/national commercial markets. The capacity of government stakeholders at the provincial, district and sub-district levels will also be strengthened for designing, planning, implementing, evaluating and documenting programmes and policies that support value chain development, sustainable livelihoods and market access.

### Community

The Master plan notes that community empowerment should focus on the active
| **Empowerment and socio-economic development** | Involvement of communities, improving governance and access to information. It notes the need for extensive community facilitation in order to ensure that initiatives are driven by the community and meet their needs. In support of community empowerment, the pilot project will focus on community driven participatory decision making, and apply participatory local resource-based approach that takes into account local knowledge and techniques in all activities.

The community empowerment and socio-economic development programme of the Master Plan identifies a need to support sustainable access and link in with community based interventions, such as PNPM. The pilot project will invest in assets and link with PNPM and other infrastructure investment programmes to support improvements in quality of assets developed under these programmes and promote the maintenance to preserve asset value and also extends the period over which the asset can be utilized.

| **Institutional development and capacity building** | To support sustainable socio-economic development in the medium to long term, the pilot project will implement activities to strengthen the capacities of communities and government stakeholders through providing technical assistance and partnering with local non-government agencies and the University of Palangka Raya.

In terms of community asset investment, implementation capacity will be enhanced through skill development and capacity building to improve the quality of both the assets and the skills of government staff, contractors and communities for maintaining the assets. Capacity building initiatives for green value chain and local economic development will involve skills needs assessments based on an analysis of market potentials, competency-based skills training that are inclusive and incorporate indigenous knowledge and techniques, assessments and certification and linkages with sources of start-up capital, placement services and technical coaching. Training will be provided to local trainers as well as community beneficiaries to support the sustainability of initiatives.

In addition, training will be provided on community organisation and cooperative development as a strategy to improve productivity, access to finance and markets. The capacity of government stakeholders at the provincial, district and sub-district levels will also be strengthened for designing, planning, implementing, evaluating and documenting programmes that support on value chain development and sustainable livelihoods and policies that support market development.

Finally, pilot project is committed to sharing knowledge and information that it develops in order to support the monitoring of progress on the Master Plan and to share lessons on pilot project implementation achievements and challenges.

The Master Plan indicates that peatland management and conversation is to be coordinated with fire prevention and management programmes as well as community empowerment and socio-economic development programmes. The main interventions to support peatland management and conservation include (a) hydrological rehabilitation consisting of the construction of approximately 700 dams, (b) management and rehabilitation of forests using approaches including natural regeneration, assisted natural regeneration, community-based forest management, community-based agro-forestry and reforestation, (c) conservation zoning and (d) boundary management for protection and conservation. The choice for a certain approach to forest rehabilitation in a particular zone is dependent on existing hydrology, soil condition / peat depth, forest condition, and local forest use. On community land, rehabilitation will use community based methods, while in remote areas either large-scale forest rehabilitation or natural succession will be required. The Master Plan indicates that Blocks A, C and D in the Mega Rice Project area now have less than 25% of forest area left, most of which is being disturbed. Blocks B and E have relatively more forest cover, although large forest areas have been disturbed by logging. Large portions of Block C have been allocated as production forest or for other uses, with oil palm plantations being developed.

In terms of community empowerment and socio-economic development, the Master Plan notes that poverty is high in the EMRP area due to limited access to markets, poor processing facilities, lack of market information, weak bargaining power and weak institutions. Socio-economic studies in the region indicate that local communities derive the majority of their livelihoods from peat swamp forests, and sustainable use of
this natural resource is needed to support livelihoods and achieve carbon emission targets in the medium to long term. The Master Plan highlights the need for market research on value chains (rubber and other resins, rattan, medicines, fruits, vegetables, livestock, etc), development of processing facilities and cooperative development, within the context of protection and rehabilitation of forests. It emphasizes the need for building the capacity of government and communities (community leaders, traditional leaders and smallholder farmers) and actively involving these stakeholders in the planning and implementing of projects in order to support transition to a low carbon economy.

To support access, the Master Plans notes that where communities live there are important community assets and how these assets are developed, maintained and used has important implications for sustainable development. It emphasizes that infrastructure (roads, bridges, river transport and flood protection) should be developed both in harmony with the environmental needs of the EMRP area and in line with the needs of communities. Investing in economic and social assets using a participatory local resource-based approach is one approach that can increase access to alternative livelihoods that are in harmony with the environment.

In addition to the conservation and development plans of the Master Plan for the EMRP area, Central Kalimantan has committed to sharply reducing its emissions, with the National Council for Climate Change and the Provincial Government proposing to reduce peatland emissions by 141 Mt CO2e per year by 2030 through elimination of fires and peatland rehabilitation, plus a further 135 Mt CO2e per year through other forestry abatement. There are significant challenges to achieving these targets, with the Ministry of Forestry stating in February 2011 that only 67 plantation companies out of 352 and only nine out of 615 mining concessions operated legally in Central Kalimantan.

Finally, based on the result matrix of UNPDF Indonesia 2011-2015, this pilot project will contribute to Outcome 2 (Livelihoods) on the strengthening of institutional capacities to increase productive and sustainable livelihoods and decent work for the poor and vulnerable, young men and women. This pilot project will also contribute to Outcome 5 (Climate Change) on strengthening capacity for effective climate change mitigation and adaptation and environment sustainability, especially for the implementation of a stronger participatory natural resource management and climate resilience platform through private-public and multi stakeholder partnership.

2.3.2 Immediate Objectives

The pilot project’s immediate objective is “Participatory local resource-based approaches introduced through building local capacity to rehabilitate degraded forest land, promoting sustainable livelihood development and improving access to socio-economic facilities and markets.”

2.3.3 Outputs and activities

Output 1: Demonstration on peatland regeneration using participatory local resource-based approaches and techniques to improve access to sustainable livelihoods

- Assessment of approaches for peatland revitalization and rehabilitation, including design of a strategy for peatland regeneration on a demonstration site incorporating technical and local knowledge (An agreed plan for peatland rehabilitation on demonstration site prepared);
- Complete an environmental impact assessment (AMDAL) before commencing activities related to canal-blocking and regeneration of area (environmental impact assessment completed);
- Improved participation, coordination and collaboration for peatland regeneration in terms of planning and implementation of interventions (participatory methods and capacity developed under outputs 2 and 3 below are applied in the planning for peatland generation and the implementation of small works);
- Peatland regeneration is piloted through a demonstration site using community contracting and participatory local resource-based approaches (peatland rehabilitation demonstrated);
- Creation of new employment opportunities through peatland regeneration and related forest regeneration activities focusing on community based forest management and community-based agro-forestry among targeted beneficiaries, including indigenous peoples (additional work days generated);
- Improved technical skills among local communities for peat-land regeneration, incorporating indigenous knowledge and local resource-based techniques (3 community teams trained on participatory local resource-based approaches for peatland regeneration);
• Increased planning and delivery capacities of concerned local government agencies and communities for sustainable peatland regeneration (A strategy for REDD+ and participatory local resource-based approaches peatland regeneration plan drafted).

Output 2: Increased capacity of communities and local authorities to improve access to socio-economic facilities and markets in rural areas in support of sustainable livelihoods through meaningful participation in decision-making processes and local resource-based strategies

• Capacity building for coordination, collaboration and participation between local institutions and community organizations, including marginalized groups (such as women, youth and indigenous groups), to improve rural access to socio-economic facilitates and markets (Community consultative forum established in targeted villages);
• Participatory identification of local investment priorities and interventions to improve access to socio-economic facilitate and markets in rural areas. (An agreed investment plan to improve rural access in target villages);
• Capacity building for the planning and design of rural access interventions using local resources such as labour, equipment, technology, capital and suppliers (A set of project proposals for small-scale interventions to improve rural access using local resources);
• Capacity building to implement small-scale projects to improve rural access using community contracting and local resources (Demonstration activities implemented through community contracting and training projects, creating additional work days);
• Establish guidelines and procedures for community driven participatory decision-making in the context of REDD+ initiatives (A local guideline community driven participatory decision-making in the context of REDD+ drafted).

Output 3: A participatory model for green value chain development and sustainable livelihoods is introduced through improving the capacity of local stakeholders

• Assessment of the value chain including identification of strategies for developing green value chains and supporting employment-rich low-carbon development using participatory approaches and analysis of market potentials (Value chain assessment drafted for target areas including identification of products/subsectors to be developed and corresponding interventions);
• A process for community driven planning on how to create environmentally sustainable jobs and increase access to provincial and national markets using green value chain and local economic development approaches is established (A joint strategy for green value chain and local economic development is drafted – local community and governance processes integrate employment and environmental concerns);
• Improved capacity of local trainers, including non-government entities such as employers organisations, civil society organizations and business service providers, for identifying the economic potentials as well as providing training on livelihoods, entrepreneurship, cooperative development and vocational skills based on the needs identified in the green value chain and local economic development strategy (5 non formal and private trainers have the capacity to deliver inclusive competency based trainings, linked to assessment, certification and after training support);
• Strengthened capacity of government stakeholders at the provincial, district and sub-district levels for designing, planning, implementing, evaluating and documenting programmes that support on value chain development and sustainable livelihoods and for designing policies that support market development (Capacity of government is strengthened for managing and achieving results);
• Delivery of efficient, effective and relevant demand-driven courses that will provide employable skills to support immediate improvement of livelihoods based on the green value chain strategy (300 persons (at least 40% women and at least 40% Dayak) are trained on relevant technical and vocational skills including business management skills);
• Support community organisation and cooperative development as a strategy to improve productivity, access to finance and markets based on the needs identified in the green value chain and local economic development strategy (at least 3 community groups have increased capacity to organize and form cooperatives – will other legal forms be considered as cooperatives is only one option depending on the ownership preferences of the group?);
• Provision of post-training support including technical coaching, placement services and networking for access to finance based on the green value chain strategy (300 persons (at least 40% women and at least 40% Dayak) benefit from after training support).
The main activities under output three include:

- Value chain assessment;
- Training of trainers for non-formal and public training providers;
- Capacity building for provincial, district, and sub-district level government;
- Demand and competency-based trainings for the targeted community;
- Entrepreneurship trainings;
- Cooperative development;
- Financial literacy trainings;
- Business facilitation workshops;
- Selected vocational/skills trainings;
- Rural economic potential and empowerment mapping training;
- Review and development of green competency standard training curriculum for selected training courses.

### 2.3.4 Indicators

<table>
<thead>
<tr>
<th>Development objective</th>
<th>Indicator</th>
<th>Means of verification</th>
</tr>
</thead>
</table>
| Improved access to sustainable livelihoods for local communities in the Ex Mega Rice Project area in Central Kalimantan through supporting implementation of Presidential Instruction (2/2007) and the Master Plan for the Rehabilitation and Revitalization of the EMRP. | • Poverty reduction  
• Unemployment reduction  
• Carbon emission reduction | • SUSENSAS  
• SAKERNAS  
• Ministry of Forestry / UKP4 |

<table>
<thead>
<tr>
<th>Immediate objective</th>
<th>Indicator</th>
<th>Means of verification</th>
</tr>
</thead>
</table>
| Participatory local resource-based approaches introduced through building local capacity to rehabilitate degraded forest land, promoting sustainable livelihood development and improving access to socio-economic facilities and markets. | • The local resource based approach is adopted by the government as the preferred approach for undertaking rehabilitation and rural access works  
• Agreement between ILO and government is established at the provincial and district level to ensure full engagement and support of the related government agencies in project implementation  
• Project partners establish a committee at district level and agree to a workplan in the implementation of activities | • Quarterly and final evaluation reports  
• Completed consultant and workshop reports  
• Assessments and guidelines finalized and published |

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Indicator</th>
<th>Means of verification</th>
</tr>
</thead>
</table>
| Demonstration on peatland regeneration using participatory local resource-based approaches and techniques to improve access to sustainable livelihoods | • 5 villages have a demonstrated improved capacity to invest in peat land regeneration | • Quarterly and final evaluation reports  
• Completed consultant and workshop reports  
• Assessments and guidelines finalized and published |
| Increased capacity of communities and local authorities to improve access to socio-economic facilities and markets in rural areas in support of sustainable livelihoods through meaningful participation in decision-making processes and local resource-based strategies | • 5 villages have invested in assets that improve access to markets and socio-economic services to support sustainable livelihoods | • Quarterly and final evaluation reports  
• Completed consultant and workshop reports  
• Assessments and guidelines finalized and published |
| A participatory model for green value chain development and sustainable livelihoods is introduced through improving the capacity of | • 300 people (40% women, 30% youth and 2% people with disabilities; how about |
local stakeholders | indigenous people?) have improved capacity (income indicators preferable) and 50% of successful trainees are employed or start a business 3 months after the training (% employed thru the value chain or industry promoted [in value chain interventions, target groups benefit not only as business owners but also as producers receiving better terms of trade])

<table>
<thead>
<tr>
<th>Assumption type</th>
<th>Assumption</th>
<th>Risk level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Development</strong></td>
<td>No major economic, social or natural disasters / exceptional rainfalls</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>Political stability</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>The activities of the project continue to be in line with the government’s priorities</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>Data is available to measure developmental impact</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Implementation</strong></td>
<td>Continued stakeholder cooperation</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>The USD value against Indonesian Rupiah remains within the range of 8,000 and 10,000 IDR to 1 USD</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>Existing infrastructure allows the project to access the targeted villages regularly</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Management</strong></td>
<td>Capacities of staff and counterparts are sufficient for completing activities</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>Local training providers or business development services are available</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>Capacities of project staff and backstopping specialists provide a facilitative environment</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>Procurement of materials and equipment is on time</td>
<td>Low</td>
</tr>
</tbody>
</table>

The capacities of project staff, local counterparts and backstopping specialists are noted as medium level risks. To mitigate these risks the project will ensure that ILO procedures for staff recruitment are followed and that vacancies associated with the project are advertised at both the local level and the national level as well as through various job vacancy platforms, to ensure that the project is able to optimise its staff selection. Capacities of local counterparts and local training providers will be assessed during the project’s inception phase and strategies to build capacity and mitigate risks will be identified.

The stability of the exchange rate is beyond the control of the project. However, to mitigate risk the project has ensured that allocations have been made for a 5 per cent cost increase in the second half of the project, as per ILO standards.

### 3. INSTITUTIONAL FRAMEWORK AND MANAGEMENT ARRANGEMENTS

#### 3.1 Institutional Framework

See above – ‘Overview of Stakeholders’ Involvement’. In addition, the pilot project’s inception phase will include a mapping and analysis of the technical capacity of organizations, including the Government, Apindo, trade unions and selected civil society organisations to be involved in the implementation of the pilot project.

The Project Steering Committee is to be based in Palangka Raya, and composed of stakeholders at the district level, provincial level and national level. The role of the Steering Committee is to set the policies for the pilot project and for coordination with inter-governmental agencies as well as employers’ organizations and workers’ organizations.
The Steering Committee will monitor and oversee the pilot project at the national, provincial and district level to ensure that the pilot project is being implemented according to design, objectives, and schedule.

To carry out the above mentioned overall responsibilities, the steering committee shall:

- Ensure that progress towards results are reviewed and assessed objectively, and adjustments are made as necessary;
- Within the pilot project’s framework, give guidance on strategic policy issues and advice to ensure the relevance of the pilot project to the governments’ and other stakeholders’ priorities;
- Ensure that the Government and other stakeholders are engaged in establishing priorities and strategies adopted by the pilot project;
- Guide and support in managing the interface and coordination with other stakeholders;
- Guide and support the process of securing government budget and other resources for effective implementation of the pilot project and additional resources required to fund the pilot project;
- Review the relevant pilot project reports for providing feedbacks and guidance;
- Review the Annual Work Plan of the pilot project;
- Oversee environmental and safeguard issues.

The pilot project will provide quarterly progress reports and a final evaluation report to the steering committee. Members of the steering committee will undertake the abovementioned activities in review and assessment of the reports, specifically on the implementation of the pilot project and progress made towards achieving the pilot project’s outcome. A Terms of Reference for the Project Steering Committee is provided in Annex D.

### 3.2 Management Arrangements

The ILO Country Office for Indonesia and Timor-Leste will be responsible for the implementation and management of the pilot project. The pilot project will be managed by a senior national environmental specialist and supported by two national project officers, all of whom will be based in Palangkaraya. In addition, the pilot project will be supported by a finance/admin officer in both Palangkaraya and in Jakarta. The pilot project will be backstopped by a national programme officer in Jakarta.

The senior national expert will call upon the technical assistance of specialists in ILO Bangkok Regional Office and Headquarters as required. The Senior Specialist on Employment Intensive Investment and the Senior Specialist on Environment and Decent Work will backstop the pilot project. Additional technical support may be provided by specialists in the ILO Regional Office and Headquarters. Technical specialists will be kept up-to-date on progress and initiatives of the pilot project and will be engaged in supporting the achievement of various outputs as required. The staff time of experts in Bangkok and Headquarters will not be charged to the pilot project.
The pilot project’s senior national environmental specialist shall formally report to the ILO Country Director for Indonesia and Timor Leste at least once per month on the pilot project progress using the Jakarta Office’s monthly project reporting tool. In addition, reporting and coordination will be fostered through the following measures:

- Monthly project coordination meetings with local staff;
- Quarterly program steering committee meetings;
- Quarterly monitoring that may involve the local partners.

### 4. SUSTAINABILITY

#### Stakeholder commitment

In 2010 the Government of Norway signed a letter of intent with the Government of Indonesia to provide support for Indonesia’s efforts in reducing deforestation. Indonesia agreed on a freeze on native forest clearing between 2011 and 2013, in return for USD $1 billion from Norway for forest protection until 2020.14 The Province of Central Kalimantan was selected to be the first province where activities under this partnership would be implemented.

In April 2012 the Provincial Government of Central Kalimantan announced a call for an expression of interest for agencies to support implementation of the Master Plan for the Rehabilitation and Revitalisation of the Ex Mega Rice Project Area, after which ILO was invited to develop a project document for a pilot project.

In line with the Master Plan for the Rehabilitation and Revitalisation of the Ex Mega Rice Project Area, the pilot project will draw on traditional knowledge and practices to promote green value chain and local economic development. ILO Conventions and focus on social justice will provide the framework for the consultation and participation of communities in the design and implementation of activities. In particular, Convention 169 on the Rights of Indigenous and Tribal Peoples, as well as the Free and Informed Prior Consent (FPIC) framework, will provide the guiding principles for working with communities. To ensure the sustainability of the approach, the pilot project will focus on community driven participatory decision making.

The pilot project will be informed by the spatial plans of the Ex-Mega Rice Project area and the community’s needs for access through applying an integrated rural accessibility planning approach that considers the state of infrastructure and community assets in order to determine how investments can help to address need for sustainable local social and economic development. Implementation capacity will be enhanced through skill development and capacity building to improve the quality of both the assets and the skills of government staff, contractors and communities for maintaining the asset. To ensure the sustainability of the assets, the pilot project will foster a culture of maintenance to ensure that assets are not only preserved, but that the period over which the asset can be utilized is extended.

Capacity building initiatives for green value chain and local economic development will involve (a) skills needs assessment based on an analysis of market potentials, (b) competency-based skills training that are inclusive and incorporate indigenous knowledge and techniques, (c) assessment and certification, (d) linkages with sources of start-up capital, placement services and technical coaching. This approach has to improve employment outcomes of training programmes. Furthermore, where appropriate entrepreneurship training will be coupled with vocational skills training. Combining these two trainings doubles the likelihood of finding employment or starting business after training.

The pilot project acknowledges that there is a great need for coordination and cooperation between agencies that are supporting the implementation of the Master Plan for Rehabilitation and Revitalisation of the Ex Mega Rice Project Area. The pilot project also acknowledge the importance of traditional knowledge and use of community driven processes and local resource-based approaches for driving inclusive and sustainable outcomes. Over the years, EIIP and Green Jobs have acquired knowledge and expertise in engaging local communities in project design and implementation and have developed tools that will be useful for a quick start. The pilot project is committed to joint programming and coordination with other interventions in the field, where there are comparative advantages and opportunities for strengthening sustainable local economic development. During pilot project implementation the ILO will main a close working relationship with UNORCID, which is the UN Office for REDD+ Coordination in Indonesia.

During the inception phase of the pilot project, consultations will be undertaken with stakeholders in the field in order to assess how to integrate with other initiatives and build synergies.

- **Sustaining results**

To ensure the sustainability of the approach, the pilot project will focus on community driven participatory decision making and be informed by traditional knowledge and practices. To ensure the long term success of peatland rehabilitation and revitalization activities, initiatives need be focused on improving access to sustainable livelihoods for local communities over time. Communities have an important role to play in reducing emissions from deforestation and peatland degradation through applications of approaches such as community-based forest management and community-based agro-forestry that can support sustainable development of the value chain and improve agricultural productivity. Peatland rehabilitation and revitalization entails on-going and long-term activities that are only sustainable with community participation and engagement. Indigenous groups have experience in managing peat forests and a participatory approach is needed in order to benefit from such knowledge and techniques.

Furthermore, the pilot project includes training and capacity building activities to promote sustainable development and rehabilitation and conservation of the environment. Skill training to support entrepreneurs and SMEs development and capacity building for the institutional strengthening of local government agencies will be provided. Community based organizations as well as local employers’ and workers’ organizations will be included to support development of the value chain.

To sustain the pilot project’s results after the close of the project, the project will work with stakeholders to strengthen their capacity on:

- Planning and design of sustainable rural access interventions using local resources;
- Designing, planning, implementing, evaluating and documenting programmes that support on value chain development, rural access and sustainable livelihoods;
- Technical training through providing training of trainers programmes on livelihoods, entrepreneurship and vocational skills;
- Technical skills among local communities for peat-land regeneration and small-scale works for enhancing rural access.

The pilot project is focusing on developing strong partnerships with local organizations and the local university to ensure that skills and knowledge developed during the pilot project remain in the local area after the close of the project. The pilot project will develop technical guide on the approaches that it has promoted to ensure that methodologies and best practices are documented for future use.

Moreover, the pilot project will work with the local planning agencies to ensure the inclusiveness of the pilot project’s activities in the local government’s budget in 2013 and beyond. All items procured as input provisions for supporting rural access and sustainable livelihood will be handed over directly to the relevant beneficiaries / community members. All non-expendable assets procured to support operation and management of the pilot project will be transferred to the relevant local government partner at the completion of the project.

### 5. MONITORING AND EVALUATION

The pilot project will follow ILO’s standard results based framework to ensure that objectives and outputs are measurable and deliverable. Initiatives and activities undertaken will be based on thorough understandings of degradation, will be responsive to contexts and will seek to address the causes – not just the symptoms – of degradation to support sustainable development in the long term.

The monitoring, reporting and evaluation plan is summarized below:

- **Inception Report**: An inception report of the project will be submitted three months after the official start date of the pilot project.
Quarterly Report: The project will submit regular quarterly report to the REDD+ Secretariat, which is comprised of a narrative report on the substantive progress of the project and a financial summary on the disbursement of the funds.

Final Evaluation: The final evaluation will be conducted by independent consultants (international and/or national). A separate Terms of Reference (TOR) for the Final Evaluation will be prepared by the ILO Jakarta Office in consultation with the pilot project’s stakeholders, including the National and Provincial REDD+ Secretariat and UNORCID. At the end of the evaluation, a Final Evaluation Report will be submitted to the REDD+ Secretariat.

Final Report: A final report project will be submitted to the REDD+ Secretariat. The final report will consist of a narrative report on the progress of the project and a financial summary.

A detailed monitoring and evaluation plan will be developed during the pilot project’s inception phase and reported in the pilot project’s inception report. This would include a strategy for gender inclusiveness as well as a strategy for the inclusion of indigenous people. However, specific surveys for baseline and endline studies will not be included due to the short duration of the project and its focus on piloting approaches and methodologies. Project’s senior national environmental specialist will be responsible for ensuring all deliverables, outputs and objectives are reported on in a timely manner.

In addition, the pilot project shall also contribute to knowledge sharing and joint learning among the UNORCID and the REDD+ Taskforce by sharing reports, research results and results from monitoring and evaluation processes.

6. KNOWLEDGE MANAGEMENT AND SHARING

The pilot project includes a strong focus on demonstrating and documenting approaches. The pilot project will first focus on demonstration through the training of beneficiaries using ILO approaches and tools, such as the integrated rural accessibility planning tools and community contracting tools as well as entrepreneurship and skills training modules. In addition, the pilot project will produce documents including:

- Guidelines and procedures for community driven participatory decision-making in the context of REDD+;
- A strategy for participatory local resource-based approaches peatland regeneration;
- A joint strategy for the development of the value chain development for one, maximum two, commodities.

Training and the associated workshops will contribute to the visibility of the pilot project in the area of REDD+ and sustainable livelihoods at the national, provincial and district level. Human stories that document the outcomes of the interventions provided by the pilot project will be documented and shared at various national and international meetings on climate change by the Government and by the ILO at the global level.

Studies and other documents developed in the course of the pilot project will be published and disseminated to stakeholders, as well as made available to the public via the ILO’s website. Lessons learned from the pilot project will be documented and shared on the ILO’s Knowledge Sharing Platform, as well as circulated to relevant departments and ILO offices in the Region by the pilot project’s manager. Particular focus will be given to how the pilot project’s interventions support Indonesia in transitioning to a low carbon economy that is job rich and inclusive.
### Annex A: Logframe matrix

<table>
<thead>
<tr>
<th>Development objective</th>
<th>Indicator</th>
<th>Means of verification</th>
<th>Risks / assumptions</th>
</tr>
</thead>
</table>
| Improved access to sustainable livelihoods for local communities in the Ex Mega Rice Project area in Central Kalimantan through supporting implementation of Presidential Instruction (2/2007) and the Master Plan for the Rehabilitation and Revitalization of the EMRP. | • Poverty reduction  
• Unemployment reduction  
• Carbon emission reduction | • SUSENSAS  
• SAKERNAS  
• Ministry of Forestry / UKP4 | • Data availability  
• No major economic, social or natural disasters / exceptional rainfalls  
• Political stability  
• The activities of the project continue to be in line with the government’s priorities |
| Immediate objective | Indicator | Means of verification | Risks / assumptions |
| Participatory local resource-based approaches introduced through building local capacity to rehabilitate degraded forest land, promoting sustainable livelihood development and improving access to socio-economic facilities and markets.15 | • The local resource based approach is adopted by the government as the preferred approach for undertaking rehabilitation and rural access works  
• Agreement between ILO and government is established at the provincial and district level to ensure full engagement and support of the related government agencies in project implementation  
• Project partners establish a committee at district level and agree to a workplan in the implementation of activities | • Quarterly and final evaluation reports  
• Completed consultant and workshop reports  
• Assessments and guidelines finalized and published | • No major disasters / exceptional rainfalls  
• Continued stakeholder cooperation  
• The activities of the project are in line with the government priorities  
• US dollars value against Indonesian Rupiah is in the range of IDR 10,000/USD  
• Existing infrastructure allows the project to access the targeted villages regularly  
• The activities of the project are in line with the government priorities |
| Outputs | Indicator | Means of verification | Risks / assumptions |
| 1. Demonstration on peatland regeneration using participatory local resource-based approaches and techniques to improve access to sustainable livelihoods | • 5 villages have a demonstrated improved capacity to invest in peat land regeneration | • Quarterly and final evaluation reports  
• Completed consultant and workshop reports  
• Assessments and guidelines finalized and published | • No major disasters / exceptional rainfalls  
• Continued stakeholder cooperation  
• Existing infrastructure allows the project to access the targeted villages regularly  
• Local training providers or business development services are available  
• Adequate capacity of local government to design, implement, evaluate and document programmes  
• Capacities of staff and counterparts are sufficient for completing activities  
• Procurement of materials and equipment is on time |
| 2. Increased capacity of communities and local authorities to improve access to socio-economic facilities and markets in rural areas in support of sustainable livelihoods through meaningful participation in decision-making processes and local resource-based strategies | • 5 villages have invested in assets that improve access to markets and socio-economic services to support sustainable livelihoods | | |
| 3. A participatory model for green value chain development and sustainable livelihoods is introduced through improving the capacity of local stakeholders | 300 people (40% women, 30% youth and 2% people with disabilities) have improved capacity and 50% of successful trainees are employed or start a business 3 months after the training | | |

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15 Participatory approaches are based on the frameworks of Convention 169 on the Rights of Indigenous and Tribal Peoples, as well as the Free and Informed Prior Consent (FPIC).
<table>
<thead>
<tr>
<th>Output 1</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Beneficiaries</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1: Assessment of approaches for peatland revitalization and rehabilitation</td>
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<td>An agreed plan for peatland rehabilitation on demonstration site prepared</td>
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<tr>
<td>Activities</td>
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<tr>
<td>1.1.1: Conduct assessment of approaches for peatland revitalization and rehabilitation</td>
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<tr>
<td>1.1.2: Conduct technical workshop on the findings of the assessment with stakeholders</td>
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<tr>
<td>1.2: Complete an environmental impact assessment</td>
<td>✓</td>
<td>✓</td>
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<td></td>
<td>Environmental impact assessment completed and approved</td>
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<tr>
<td>Activities</td>
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<tr>
<td>1.2.1: Complete environmental impact assessment</td>
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<td>✓</td>
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<tr>
<td>1.3: Improved participation, coordination and collaboration for peatland regeneration in terms of planning and implementation of interventions for local community facilitators based on 169 and FPIC frameworks</td>
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<td>Local trainers trained on community facilitation</td>
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<td>Activities</td>
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<tr>
<td>1.3.1: Development of training materials on community facilitation</td>
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<tr>
<td>1.3.2: Training of community facilitators</td>
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<tr>
<td>1.4: Improved participation, coordination and collaboration for peatland regeneration in terms of planning and implementation of interventions for community members in 5 villages based on 169 and FPIC frameworks</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>Community consultative forum established in targeted villages</td>
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<tr>
<td>Activities</td>
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<tr>
<td>1.4.1: Community facilitation by local community facilitators in 5 villages</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>1.4.2: Establishment of a community consultative forum</td>
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<tr>
<td>1.4.3: Identification of potential areas for peatland regeneration</td>
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<tr>
<td>1.4.4: Formation of community groups for community contracting</td>
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<tr>
<td>1.5: Improved technical skills among local communities for peat-land regeneration on a demonstration site using community contracting and participatory local resource-based approaches</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>Number of persons trained on peatland regeneration</td>
</tr>
</tbody>
</table>

Note - the REDD+ Taskforce has requested that the Logframe remain in its current format, which includes a higher level of detail on indicators, due to the Government's need to demonstrate results and share results in international forums.
### Activities

1.5.1: Design of works on a demonstration site
1.5.2: Inputs for peatland regeneration
1.5.3: Training for community groups on peatland regeneration methods
1.5.4: Supervision of work by a mobile construction trainer

1.6: Creation of new employment opportunities through peatland regeneration and related forest regeneration activities on a demonstration site using community contracting and participatory local resource-based approaches

#### Output 2

<table>
<thead>
<tr>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Beneficiaries</th>
<th>Indicator</th>
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<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
<td>Community members in 5 villages in Central Kalimantan</td>
<td>Local trainers trained on community facilitation</td>
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<td></td>
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<td></td>
<td>At least 30% of community beneficiaries are women, 30% youth and 2% with people with disabilities</td>
<td>Community consultative forum established in targeted villages</td>
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<td>Community consultation forum established in targeted villages</td>
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<tr>
<td>Activities</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Target beneficiaries</td>
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<tr>
<td>2.2.1: Community facilitation by local community facilitators in 5 villages</td>
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<tr>
<td>2.2.2: Establishment of a community consultative forum</td>
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<tr>
<td>2.2.3: Formation of community groups for community contracting</td>
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<tr>
<td>2.3: Participatory identification of local investment priorities and interventions to improve access to socio-economic facilitates and markets in rural areas</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>2.3.1: Identification of potential small works with communities</td>
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<tr>
<td>2.3.2: Design of works on in demonstration areas</td>
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<tr>
<td>2.4: Capacity building for the planning and design of rural access interventions using local resources such as labour, equipment, technology, capital and suppliers</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>2.4.1: Inputs for small works</td>
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<tr>
<td>2.4.2: Training for community groups on local resource based approaches</td>
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<tr>
<td>2.4.3: Supervision of work by a mobile construction trainer</td>
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<tr>
<td>2.5: Creation of new employment opportunities through implementation of small-scale projects to improve rural access using community contracting and local resource based approaches</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>2.5.1: Inputs for implementation of small works</td>
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<tr>
<td>2.5.2: Community contracting for small works</td>
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<tr>
<td>2.5.3: Ongoing supervision of work by a mobile construction trainer</td>
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<tr>
<td>2.6: Establish guidelines and procedures for community driven participatory decision-making in the context of REDD+ initiatives</td>
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<tr>
<td>2.6.1: Drafting of a guidelines on community driven participatory decision making in the context of REDD+</td>
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<tr>
<td>2.6.2: Conduct technical workshop on guidelines with stakeholders</td>
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<tr>
<td>Activities</td>
<td>3.1: Fast track Assessment of the value chain</td>
<td>3.2: A process for community driven planning on how to create environmentally sustainable jobs and increase access to markets using the green value chain approach is established using 169 and FPIC frameworks</td>
<td>3.3: Improved capacity of local trainers, for providing training on livelihoods, entrepreneurship and vocational skills</td>
<td>3.4: Strengthened capacity of government stakeholders at the provincial, district and sub-district levels for designing, planning, implementing, evaluating and documenting programmes that</td>
<td>Fast track Value chain assessment drafted for target areas</td>
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<tr>
<td>3.1.1: Conduct value chain assessment</td>
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<td>✔</td>
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<tr>
<td>3.1.2: Identifying strategies for developing green value chain and employment-rich low-carbon development</td>
<td>✔</td>
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<tr>
<td>3.1.3: Conducting workshop with stakeholders to socialize and validate the value chain</td>
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<tr>
<td>Activities</td>
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<tr>
<td>3.2.1: Consultations with local Governments, employers, community leaders, and direct target groups are conducted to establish a coordination forum for planning</td>
<td>✔</td>
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<tr>
<td>3.2.2: Workshop is conducted to draft the strategy</td>
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<td>3.2.3: A workshop to integrate the strategy with national and provincial plan.</td>
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<tr>
<td>Activities</td>
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<tr>
<td>3.3.1: Assessment of the available non-formal and public training providers, including business development services (BDS)</td>
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<tr>
<td>3.3.2: Selection of partners (training providers and BDS)</td>
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<tr>
<td>3.3.3: Capacity building of the training providers using the ILO’s 4-in-1 methodology</td>
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<tr>
<td>3.3.4: Training of trainers for ILO entrepreneurship modules</td>
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<tr>
<td>3.3.5: Review and development of green competency based standards for selected training courses ('greening' the existing competency standards and curriculum by adding the 'green components', or develop new standards and curriculum for occupations which are newly identified)</td>
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<tr>
<td>Activities</td>
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<td>3.4: Strengthened capacity of government stakeholders at the provincial, district and sub-district levels for designing, planning, implementing, evaluating and documenting programmes that</td>
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Number of trainers has increased capacity to provide training on livelihoods, entrepreneurship and vocational skills (90% of the trainers are certified after training).
<table>
<thead>
<tr>
<th>Support on value chain development and sustainable livelihoods</th>
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<tbody>
<tr>
<td><strong>Activities</strong></td>
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<tr>
<td>3.4.1: Consultations with government stakeholders at the provincial, district and sub-district level</td>
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<td>3.4.2: Trainings on programmes development and value chain approach</td>
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<td>3.4.3: Workshop to develop standard procedures with related government agencies</td>
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<tr>
<td>3.5: Delivery of efficient, effective and relevant demand-driven courses that will provide employable skills to support immediate improvement of livelihoods based on the green value chain strategy</td>
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<td><strong>Activities</strong></td>
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<tr>
<td>3.5.1: Demand-driven skills training (5 classes)</td>
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<td>3.5.2: Entrepreneurship trainings (5 classes)</td>
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<tr>
<td>3.6: Support community organisation and cooperative development as a strategy to improve productivity, access to finance and markets based on the needs identified in the green value chain and local economic development strategy</td>
<td></td>
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<td><strong>Activities</strong></td>
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<tr>
<td>3.6.1: Assisting 3 community groups to develop simple savings and credit mechanisms using the ILO approach</td>
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<td>3.6.2: Conducting business workshop to facilitate linking with buyers and financial institutions</td>
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<tr>
<td>3.7.3: Cooperative management training</td>
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<td>3.7.4: Financial literacy training for the member of the community groups</td>
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<tr>
<td>3.7: Provision of post-training support including technical coaching, placement services and networking for access to finance based on the green value chain strategy</td>
<td></td>
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<tr>
<td><strong>Activities</strong></td>
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<tr>
<td>3.7.1: After training support and technical coaching for 100 beneficiaries, for 3 months</td>
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<td>✓</td>
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<td>3.7.2: Documenting good practices</td>
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</tbody>
</table>

Number of persons trained on relevant vocational skills and/or business management skills (85% of trainees complete the training successfully)

Number of organizations benefit from training community organisation and cooperative development (85% of organizations complete the training successfully)

Number of persons in benefit from after training support (50% of successful trainees are employed or start a business 3 months after the training)
Annex II : Terms of Reference for the Project Steering Committee

Sustainable livelihoods through local resource-based approaches in Central Kalimantan

1. Background

In acknowledgement of the great need for reduction of emissions from deforestation and forest degradation, the Government of Indonesia has issued an instruction on the freeze of native forest clearing between 2011 and 2013 and an instruction (2/2007) requiring the rehabilitation and conservation of the Ex Mega Rice Project (EMRP) area in Central Kalimantan. A comprehensive Master Plan for the Rehabilitation and Revitalization of EMRP in Central Kalimantan has been drafted to achieve this goal, requiring effective environmental management and a shift towards an economy that supports economically, socially and environmentally sustainable livelihoods.

In line with the EMRP’s Master Plan, this 12-month pilot project seeks to improve access to sustainable livelihoods for local communities in the Ex Mega Rice Project area in Central Kalimantan through introducing participatory local resource-based approaches and building local capacity to rehabilitate degraded forest land, promoting sustainable livelihood development and improving access to socio-economic facilities and markets. In particular, Convention 169 on the Rights of Indigenous and Tribal Peoples, as well as the Free and Informed Prior Consent (FPIC) framework, will provide the guiding principles for working with communities. To promote sustainable development and “green job” creation, the pilot project will provide support to, and work in partnership with, local indigenous CSOs/NGOs, employers’ and workers’ organizations, while deepening current collaboration and partnership between the ILO and Government of Indonesia.

The project is to be guided by its Steering Committee. The Steering Committee is to be based in Palangka Raya, and composed of various stakeholders at the district level, provincial level and national level. The role of the Steering Committee is to guide and monitor the Project’s progress and facilitate the coordination of its initiatives and plans with those of the project’s stakeholders at the national, provincial, and district level.

2. Overall responsibility

The role of the Steering Committee is to set the policies for the project and for coordination with inter-governmental agencies as well as employers’ organizations and workers’ organizations. The Steering Committee will monitor and oversee the project at the national, provincial and district level to ensure that the pilot project is being implemented according to design, objectives, and schedule.

To carry out the above mentioned overall responsibilities, the steering committee shall:

- Ensure that progress towards results are reviewed and assessed objectively, and adjustments are made as necessary;
- Within the project’s framework, give guidance on strategic policy issues and advice to ensure the relevance of the project to the governments’ and other stakeholders’ priorities;
- Ensure that the Government and other stakeholders are engaged in establishing priorities and strategies adopted by the project;
- Guide and support in managing the interface and coordination with other stakeholders;
- Guide and support the process of securing government budget and other resources for effective implementation of the project and additional resources required to fund the project;
- Review the relevant project reports for providing feedbacks and guidance;
- Review the Annual Work Plan of the project;
- Oversee environmental and safeguard issues.
3. **Reporting arrangements**

The project will provide quarterly progress reports and a final evaluation report to the steering committee. Members of the steering committee will undertake the abovementioned activities in review and assessment of the reports, specifically on the implementation of the project and progress made towards achieving the project’s outcome.

4. **Membership**

The Steering Committee is based in Palangka Raya, and composed of representatives from the following organizations:

1. National and Provincial REDD+ Taskforces;
2. Ministry of Manpower and Transmigration (MoMT) at the provincial and district level;
3. United National Office for REDD Coordinating in Indonesia (UNORCID);
4. Local employers organizations;
5. Local workers’ organizations;
6. Local indigenous peoples organization;

The Provincial REDD+ Agency will be the head of the steering committee. The Project, in cooperation with the UNORCID, will provide secretarial support to the Steering Committee.

5. **Meeting procedures**

The project will provide updates and reports to the steering committee secretariat on a quarterly basis via its senior national environmental specialist. Regular briefing meetings may also be organized to ensure that the steering committee secretariat is updated on project’s progress and issues. A formal meeting will be held once each quarter, tentatively in September 2012, December 2012, March 2013 and June 2013.

The call of a steering committee meeting will be made after confirmation of the date for the meeting with the steering committee secretariat. The head of the steering committee will announce the meeting.