


**GEF**
**GEFSEC PROJECT ID:**
**IA/ExA PROJECT ID:** P098308

**COUNTRY:** Indonesia

**PROJECT TITLE:** Partnerships for Conservation Management of the Aketajawe-Lolobata National Park, North Maluku Province

**GEF IA/ExA:** The World Bank / BirdLife Indonesia

**OTHER PROJECT EXECUTING AGENCY(IES):**
**DURATION:** 5 years

**GEF FOCAL AREA:** Biodiversity

**GEF STRATEGIC OBJECTIVES:** BD-1 Catalyzing Sustainability of Protected Areas

**GEF OPERATIONAL PROGRAM:** OP 3: Forest Ecosystem

**PIF APPROVAL DATE:** N/A

(Project Concept Summary submitted 10/20/2006)

**PPG APPROVAL DATE:** N/A

**ESTIMATED STARTING DATE:** May 2007

**IA/ExA FEE:** US\$89,996

**EXPECTED AGENCY APPROVAL DATE:** April 2007

**EXPECTED PROJECT GRANT CLOSING DATE:**  
May 2012

**EXPECTED SUBMISSION DATE OF TERMINAL EVALUATION/PROJECT COMPLETION REPORT:**  
November 2012

<b>FINANCING PLAN (\$)</b>		
	PPG	Project*
GEF Total	N/A	999,954
<b>Co-financing</b>	(provide details in Section b: Co-financing)	
		405,246
<b>GEF ExA</b>		
Government		410,250
Others		270,100
<b>Co-financing Total</b>		1,085,596
Total	N/A	2,085,550
Financing for Associated Activities If Any:		

**38895**

\*\* For multi-focal projects, indicate agreed split between focal area allocations

<b>FOR JOINT PARTNERSHIP**</b>		
<b>GEF PROJECT/COMPONENT (\$)</b>		
(Agency Name)	(Share)	(Fee)
(Agency Name)	(Share)	(Fee)
(Agency Name)	(Share)	(Fee)

\*\*\* Projects that are jointly implemented by more than one IA or ExA

**CONTRIBUTION TO KEY INDICATORS IDENTIFIED IN THE FOCAL AREA STRATEGIES:**

This project directly contributes to the Emerging Strategic Direction for the Biodiversity Focal Area, 'Catalyzing Sustainability of Protected Areas' in two ways. First the project will strengthen management of a newly-created "paper park" of 167,300 hectares which includes habitats and species not represented elsewhere in the national protected area network, thereby increasing representation in the PA network through expansion of conservation efforts into a critical bioregion. The project also contributes to sustainability through design and piloting of a new model of collaborative management under a new central government policy that allows multi-stakeholder involvement in the management of national Parks. This will allow the project to forge partnerships between national park management authorities, local government, the private sector and local communities to increase the effectiveness of National Park management and integrate it into management of the surrounding landscape and natural resources. The Aketajawe-Lolobata National Park in North Maluku will be brought under effective management to test and demonstrate this new model of collaborative management. Existing commitments from neighboring private sector industries to support management of the National Park will be enhanced and private sector support to community development will be linked to sustainable development and

resource management. This model will afford lessons learned, and the project will contribute to the development of national level technical guidelines for implementation of the new policy, and will promote replication of lessons learned at other sites, thereby contributing to the sustainability of the national protected area network. The newly declared Aketajawe-Lolobata National Park includes 167,300 ha of forest in an archipelago which is recognized as an Endemic Bird Area<sup>1</sup>, an Important Bird Area<sup>2</sup>, a Biodiversity Hotspot<sup>3</sup> and a Global 200 Ecoregion<sup>4</sup>, and is the only protected area in the archipelago with a near-complete representation of threatened and endemic taxa.

Approved on behalf of the World Bank. This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for a Medium-sized Project.



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<sup>1</sup> BirdLife International's endemic bird analysis (*Stattersfield et al. 1998*) identifies 218 Endemic Bird Areas based on an analysis of bird species with a natural historical range of less than 50,000 square kilometers. 24 EBAs are in Indonesia and one, Northern Maluku, is the focus of this project

<sup>2</sup> The National Park covers two of the 227 Important Bird Areas identified in Indonesia (*BirdLife International 2004*)

<sup>3</sup> Biodiversity Hotspots are identified by Conservation International ([www.Conservation.org](http://www.Conservation.org))

<sup>4</sup> Global Ecoregions are identified by World Wide Fund for Nature International ([www.panda.org](http://www.panda.org))

## 1. PROJECT SUMMARY

### a) Project rationale, objectives, outcomes/outputs, and activities.

#### *Project Rationale*

Indonesia is the world's most biologically diverse country. Although it covers only 1.3 percent of the earth's land surface, it includes: 10 percent of the world's flowering plant species; 12 percent of the world's mammal species; 16 percent of all reptile and amphibian species; 17 percent of the world's bird species; and, 25 percent or more of the world's fish species. In fact, Indonesia ranks first in the world for species richness for mammals (515 species, 36 percent endemic); first for swallowtail butterflies (121 species, 44 percent endemic); third for reptiles (600+ species); fourth for birds (1519 species, 28 percent endemic); fifth for amphibians (270 species); and, seventh for flowering plants. Indonesia's great expanse of territorial waters and the richness of the Indo-West Pacific seas further add to the country's biodiversity. An estimated 40 million people are directly dependent on biodiversity for livelihood and food security in Indonesia. Twelve million people live in and around its forests and many more are dependent on its coastal resources.

In national parks across Indonesia, limited coordination between Park Management teams inside the protected area, and local government, communities and the private sector outside its boundary has made it difficult to take effective action on illegal logging, wildlife trade, forest clearance and other critical issues. As a result limited protected area resources are exhausted in an attempt to police a fraction of the protected area, and the rest of the protected area is *de facto* open access.

Hence, in 2004, the Minister of Forestry issued a new ruling<sup>5</sup> on collaborative management of protected areas. This ruling lays down, for the first time, a legal basis for the establishment of agreements between National Park management and other groups and institutions to collaborate over the management of protected areas. It opens up the possibility of involving communities, local governments, NGOs and private sector in making decisions and managing resources within a National Park, as long as the overall goal of conservation is not compromised. However despite these positive policy changes, the Ministry of Forestry in many areas of Indonesia lacks capacity to take action without external support from key stakeholders. Dependence of local government on revenues from resource extraction industries, and dependence of local communities on natural resources, coupled with low conservation awareness and poor protected area management capacity, continues to cause unsustainable extraction of wildlife and non-timber forest products from national parks across Indonesia, which is thus losing its globally important wealth of biodiversity.

Within Indonesia, North Maluku is a biodiversity hotspot, with many species and habitats of global significance. Maluku is part of Wallacea, the land lying between the Sunda and Sahul continental shelves, a biological transition zone which derives its flora and fauna both from Asia and Australia. North Maluku has 26 endemic species of birds (of which four are endemic genera), eleven endemic mammals, nine endemic amphibians and reptiles, and more than 100 endemic species of land-snail. Over 70% of these endemics are forest dependent. In addition, the region is recognized as a Biodiversity Hotspot and a Global 200 Ecoregion. Nevertheless until recently these unique habitats and species were not represented in the national protected area network. The most extensive forest cover in the province is on the largest island, Halmahera, and the largest and most intact forest blocks on this island are the Aketajawe and Lolobata Forests in Central Halmahera. Aketajawe and Lolobata are two of 227 Important Bird Areas in Indonesia, and host at least 24 of the region's 26 endemic bird species. In addition, Halmahera Island has 8 globally threatened bird species (two of which are endangered, and six vulnerable, see Annex 1).

*The Provincial Government of North Maluku and the District Governments in central Halmahera have identified the importance of maintaining the forests in the central hills of the region for their functions in protecting watersheds, providing resources for local communities, and in the long term as part of development of environmental tourism in the region. As a result, in October 2004, the Indonesian Minister of Forestry, recognizing the significance of the biodiversity on Halmahera Island, declared the creation of the Aketajawe-Lolobata National Park (ALNP)<sup>6</sup>, protecting 167,300 ha of the island's forests in two blocks.*

*The area of the ALNP lies within the jurisdiction of three Districts sub-divided into six sub-districts, and the administrative areas of 41 villages and 6 transmigration settlements, with a total human population of 63,300 people (2004 Government Statistics Agency figures). Over thirty of these villages and transmigration settlements are located on the coast, 5-10 km from the border of the national park and separated from it by*

<sup>5</sup> Forestry Ministry Ruling (Peraturan Menteri Kehutanan) No.: p19/MenHut-II/2004

<sup>6</sup> Decision of the Minister of Forestry (Keputusan Menteri Kehutanan) No.: SK.397/MenHut-II/2004

production forest. Only three villages and three transmigration settlements are located further inland and are close enough to the border of the park to have a direct impact on its management. The population of these 6 settlements is estimated at 9000 people.

Notwithstanding the political support for its creation, ALNP is still a "paper park", weakly protected and with few management resources. The park's boundary covers 420 km, of which only some 158 km (38%) has been demarcated on the ground (Table 1). The remaining 262 km (62%) exists only on official forestry department maps. Around 90% of the Lolobata block, and 75% of the Aketajawe Block, borders directly on production forest. In Lolobata, this production forest has been awarded as two logging concessions. Satellite imagery shows that in some areas logging had extended into the park from these concessions and that the abandoned logging roads facilitate access and intensify other threats. In Aketajawe the logging concessions from which logging extended into the National Park are no longer active. However the roads they created are used for small scale local timber extraction. This mis-management of existing and old concessions is a result of bad practice by the concession holder combined with weak supervision by the District Forestry Department. With the declaration of the National Park the forests of ALNP are the responsibility of the government's Conservation Agency, but their capacity for taking action to address this problem is currently limited. This issue of concession mis-management exacerbated by weak National Park management capacity is the most serious current threat to the forests within the Park and addressing it is the project's first priority.

Table 1: Current Status of the Boundary of Aketajawe-Lolobata National Park. (Figures are estimates based on forestry department boundary maps)

Block	Total boundary (km)	Boundary already demarcated (km)	Boundary already demarcated (%)	Length of boundary bordering production forest (km)	Length of boundary bordering watershed forest (km)	Length of boundary bordering conversion forest (km)
Lolobata	270	158	58%	240	30	0
Aketajawe	150	0	0%	110	30	10
TOTAL NP	420	158	38%	350	60	10

As well as the logging described above, there are a number of specific local threats which have a small scale impact of forests and wildlife within the Park. These threats occur in 6 locations where settlements are close to the Park boundary (Maps in Annex 17). To the north-west and south-west of Aketajawe block are two groups each of four sub-villages which have grown along logging roads that lead towards the park. To the south-east and north-east are two transmigration settlements where land clearance and timber extraction is close to and may already have impinged on the National Park. Around Lolobata block, only two settlements are close to the park; one transmigration settlement where the failure of the concurrently established industrial timber plantation has led the community to seek to expand their agriculture, and an indigenous community which is the gateway for small scale artisanal gold mining along rivers in the south east of Lolobata. These specific local problems require tailored individual approaches, and the project will work with Park management to better understand the issue before facilitating agreements and implementing management interventions to minimize the impact on the Park.

The long term conservation of the National Park cannot be separated from the problem of forest loss outside the Park. Loss of forest cover will intensify pressure on the Park's own forest resources and increase the potential for conflict with local stakeholders. It will also further isolate the two blocks of the National Park which until recently have been joined by contiguous forest but now divided by a small road. The forests between the two blocks of the National Park were not included in the National Park because of a perceived conflict with logging and mining interests. The centre of Halmahera island is still 60% forested but lowland forest loss outside the Park boundaries is being caused by infrastructure development, licensed conversion of logged over forest to oil palm and timber plantations, and small scale agricultural expansion centered on the main coastal settlements and extending inland along roads. Mining is another potential source of forest loss and water pollution in specific areas. The forest is almost entirely designated as state forest land, either Watershed Protection Forest, Production Forest, or as Conversion Forest which can be converted for plantations and agricultural development - issues which are under the jurisdiction of local Government and in particular the Forestry Department and planning department. The project will work with the three Districts and Provincial planning department to minimize forest loss and its impact on the National Park.

The importance of the Aketajawe and Lolobata forests for biodiversity has been internationally recognized since the 1970s. A previous attempt to strengthen its management and better conserve its biodiversity - the World Bank/GEF Maluku Conservation and Natural Resource Management Project (MACONAR Project) - was never implemented because of the declining security situation in the region at the turn of the century. Civil conflict in several places in Maluku Province and North Maluku Province between 1999 and 2002 damaged the socio-cultural life of local communities and resulted in loss of assets and livelihoods, as well as destruction of

*public facilities. The condition of social, economic and political life in the Province of North Maluku is now normal and stable as indicated by the revocation of the status of civil emergency in the Province of North Maluku on 17 May 2003. The security situation will continue to be monitored by project and by senior BirdLife staff, and any changes discussed at the project's steering committee meetings.*

The successful process of election of North Maluku's Governor by the House of People's Representatives of North Maluku Province, and post-conflict election of the District Heads and Mayors indicates that the functions of government administration and legislative bodies in the region are operating. Economic growth of the city of Ternate, capital of North Maluku province, was 5.75% in 2004, an increase on 2003 levels, and is evidence of an improved security situation and socioeconomic condition of the community after the conflict. Whilst some of the activities being implemented in North Maluku by the local government and NGOs are still in the form of post-conflict programs, more are now focused on general development. Most (around 80%) of the villages around Aketajawe-Lolobata National Park did not experience any damage when the riots took place. A BirdLife team visit in October 2004 to two of the villages that experienced some destruction at that time (Dodaga and Lolobata), found that the villages had been built again and the refugees have returned and recommenced farming and fishing.

*With the security situation now stabilized, the establishment of the National Park and the principle of sustainable forest management as a basis for regional development have been endorsed by the District Governments, Province, and local mining industry. The project will capitalize on this positive policy environment to implement practical management solutions which can be implemented by local stakeholders, and which will form a model to be disseminated to other National Parks in Indonesia.*

### **Project Objectives**

The proposed project's central development objective is "The enabling framework for collaborative management of protected areas in Indonesia is strengthened through promotion and replication of the Aketajawe-Lolobata project approach" and the global biodiversity goal that will be achieved during the 5 years of the project is "Globally significant biodiversity of Aketajawe Lolobata NP is conserved through an effective conservation management regime which has the active support of local stakeholders".

The project's primary aim is to secure the forests inside the National Park by stopping incursions from neighboring logging concessions and finding solutions to specific local management problems which are acceptable to the stakeholders involved. The project will facilitate agreements on National Park boundaries, access to resources and other issues, and co-operation between the national park management and other stakeholders (communities, private sector, local government). Endorsement and oversight of these agreements will come from a multi-stakeholder forum where all stakeholders are represented. At the same time the project will increase the capacity of the National Park management team to manage the Park successfully using this collaborative and consultative approach. The project will work with local government on spatial planning issues at district level to minimize forest loss and other threats which occur outside the Park and threaten the Parks long term conservation value. Finally, the project will work to raise public awareness and support for the park amongst decision makers and opinion leaders in North Maluku Province, and to disseminate the lessons from this project to other protected areas in Indonesia.

Important and innovative aspects of the project include:

- Facilitating formation of a multistakeholder forum to support management of the National Park with the function of information sharing, endorsement of plans and oversight of collaborative agreements
- Developing a model of constructive collaboration between the National Park and neighboring logging and mining concessions which supports National Park management
- Strengthening the enforcement of regulations in logging concessions bordering protected areas through a transparent agreement process
- Using participatory land use planning to identify conflicts where the park borders on community managed land and to achieve agreement on the boundary and zonation
- An explicit focus on integrating consideration of the National Park into regional planning decisions
- Leveraging long-term financial and practical support for the National Park from neighboring private sector industries (principally mining)
- Targeting awareness programs to involve and influence policy makers and stakeholders in conservation area management in North Maluku.
- A comprehensive monitoring, evaluation and dissemination program to facilitate adaptive learning in project implementation and sharing of project lessons to conservation practitioners elsewhere in Indonesia.

### **Project Outcomes**

The project will achieve the following outcomes: (a) establish an adequate basis of biological and social information for the management of the National Park; (b) develop an effective management regime for ALNP including facilitating bi-lateral agreements between the National Park and neighboring communities and industries, rationalizing and re-marking the boundaries of the National Park, establishing a multistakeholder forum to provide oversight, and working with District Government to integrate spatial planning and National Park management; (c) ensure that the National Park management and other stakeholders have adequate capacity (resources, skills, information) to play an effective role; (d) a monitoring system supports effective lesson learning and evaluation; (e) information and lessons from the project shared with other relevant institutions Indonesia; (f) high levels of awareness and support amongst the public and decision makers in the three affected Districts and the main towns in North Maluku

The project will build on the experiences of BirdLife Indonesia and local project partners in Sangihe-Talaud (GEF-MSP), Sumba Island and Tanimbar, where Birdlife has been able to work successfully with local government and private sector partners to further conservation outcomes.

## PROJECT DESIGN

### Biodiversity of Global Significance

*North Maluku has an immense wealth of biodiversity, much of which is of global significance. Maluku is part of Wallacea, the land lying between the Sunda and Sahul continental shelves, a biological transition zone which derives its flora and fauna both from Asia and Australia. The Maluku archipelago is recognized as a distinct bioregion with unique habitat formations and island endemics not found elsewhere. North Maluku has 26 endemic species of birds (of which four are endemic genera), eleven endemic mammals, nine endemic amphibians and reptiles, and more than 100 endemic species of land-snail. Over 70% of these endemics are forest dependent. In addition, the region is recognized as a Biodiversity Hotspot and a Global 200 Ecoregion. The most extensive forest cover in the province is on the largest island, Halmahera, and the largest and most intact forest blocks on this island are the Aketajawe and Lolobata Forests in Central Halmahera. Aketajawe and Lolobata are two of 227 Important Bird Areas in Indonesia, and host at least 24 of the region's 26 endemic bird species. In addition, Halmahera Island has 8 globally threatened bird species (two of which are endangered, and six vulnerable, see Annex 1).*

*Variations in altitude and soil type have created a mosaic of 14 forest types on Halmahera. Data from bird surveys is complete enough to allow comparison of the conservation value of the major forest types based on species richness and the presence of threatened and endemic species. The most important forests for conservation are the lowland evergreen forests, with indications that this forest type on limestone and volcanic soils is slightly richer than that on Ultra basic and sandstone rocks. This difference was found to be particularly significant for some species, with the globally threatened White Cockatoo and Chattering Lory, and several restricted range species, rarer in forest on ultra basic soils. Above 700m montane there is a progressive decline in the number of species of endemic bird recorded, and no birds are montane specialists. A similar trend appears to apply to mammal species, although data is incomplete. Mangrove forests are significantly poorer in bird species, with only seven species recorded at higher densities, none of them endemic or threatened species.*

*Despite recognition of its high biodiversity value, Maluku has few designated protected areas, and even fewer effective ones. ALNP is widely recognized as the most important protected area in Maluku and because of its irreplaceability an important contribution to the overall coverage of the Indonesian PA system. As development expands in Maluku the need for more effective conservation efforts is paramount. The impact of development and habitat modification varies between forest types. BirdLife/PKA (1999) estimates that although only 4.5% of lowland evergreen forests remain on Halmahera, at least 50% of other forests types are still thought to survive and montane forest is virtually untouched. The Aketajawe Lolobata National Park contains elements of all forest types on the island except mangrove and beach forest, including important remaining fragments of lowland evergreen forests which also extend into neighboring concessions. The Park contains representative samples of the geology of the island, including sandstone and ultra basic rocks in Aketajawe block, whilst Lolobata is on volcanic rocks with consequent differences in vegetation and fauna.*

### Problem Statement

#### a. Sectoral Issues

Indonesia's wealth of terrestrial biodiversity overwhelmingly depends on forests for its survival. Indonesia's forest estate covers some 133 million hectares (71% of the land area of the country), of which 83 million hectares is actually forested. Forest loss and degradation is caused by unsustainable practices in the

management of licensed logging concessions, licensed conversion of natural forest to plantation and agricultural land, and unlicensed cutting of forests for timber and to open new farmland. About two million hectares of forest are lost as a result each year.

The policy instruments underpinning management of forests include the Indonesian Forestry Act<sup>7</sup>, which vests control of the national forest estate in the central Government Forestry minister, and the Regional Autonomy Laws<sup>8</sup> which vest control of Natural Resources in the District level of Government. In National Parks, management is still clearly the responsibility of the Conservation Agency, which is a centrally managed unit independent of District and Provincial Government structures, and in some cases this creates operational challenges between the local and central Government representatives on the ground. The Forestry Department remains committed to conservation areas as the mainstay of its biodiversity conservation efforts (in 2004 nine new national parks totaling 1.3 million hectares were created in Indonesia) and has responded to the challenges of decentralization by becoming increasingly open to more collaborative approaches to management at field level. In Sumba, for example, the Forestry Department working with BirdLife Indonesia and local NGOs facilitated resolution of boundary conflicts resulting from the previous boundary marking process, and developed more participatory approaches to boundary demarcation.

Outside conservation areas the apparent conflict between the Forestry and Regional Autonomy laws has weakened the Forestry Department's position as the sole manager of the nation's forests, and has given rise to efforts to usurp authority and economic opportunities from the Department of Forestry by District Governments seeking to increase their own local income. In 2004 the Forestry Department tried to clarify and control some of the legal loopholes that were most frequently abused, including canceling the dispensation which allowed District Heads to issue logging licenses for areas of less than 100 ha, and reviewing local control of the auctioning of illegal timber seized in law enforcement operations.

If these problems of coordination and division of responsibilities and benefits between centre and regions can be successfully negotiated, decentralization offers the possibility of encouraging greater involvement, ownership and accountability of local governments than when all decisions were taken in Jakarta. Within the framework of decentralization, District Governments have the power to take independent initiatives in support of conservation. Examples to date include the declaration of Kapuas Hulu (West Kalimantan) as a conservation District, and local Wildlife Reserves created to protect Orang-utans in Berau, East Kalimantan. The decentralization of spatial planning to District levels has also created opportunities for communities and conservation organization to influence local planning, for example BirdLife Indonesia's work in Talaud and Tanimbar islands.

Outside the forestry sector but of relevance to the biodiversity conservation agenda is that Indonesia's remaining forest habitats are fragmented amongst thousands of islands, many of them small and with endemic species. The small area of habitats, high level of endemism, and interdependence of forests, water catchments and fringing reefs makes integrated and sensitive management especially important for small islands. North Maluku, with hundreds of islands, shrinking forests and unique biodiversity, exemplifies these challenges and is a priority for the development of innovative integrated approaches for small island ecosystem management. Halmahera, although the largest island in the North Maluku, shares these characteristics.

#### **b. Root Causes of Biodiversity Loss**

An initial analysis of the root causes which are leading to the loss and degradation of the forests of central Halmahera, has identified the following key issues that will remain unaddressed in the absence of the project:

##### **1. Commercial Logging Incursions into the National Park**

The principle threat to Aketajawe-Lolobata National Park comes from past and present mis-management of the logging concessions in production forests which almost entirely surround the two blocks of the National Park, in particular the incursion of commercial logging activities into the forests of the Park. The concessions are managed by private companies, but incursions have been possible because of weak supervision by the responsible forestry authorities.

Satellite images show logging trails extending from the neighboring concessions into the forests of both blocks of the national park. In Aketajawe block these incursions by commercial logging companies are believed to have stopped with the expiry of the logging concession, but in Lolobata Block, which shares 90% of its boundaries with two active logging concessions, the incursions are recent and may be ongoing. The District Government forestry department is responsible for monitoring and stopping these incursions, but is currently failing to supervise them adequately. This is caused by lack of information, motivated but unsupported human resources, and a political focus on boosting District incomes from royalties and taxes rather than effective

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<sup>7</sup> Law 41 of 1999

<sup>8</sup> Law 22 of 1999 and Law 32 of 2004

planning and supervision. Problems of coordination have also arisen due to the transfer of responsibilities from the old Central Halmahera District to 3 new Districts, each with its own Forestry Department.

## **2. Very limited existing National Park management capacity**

The issue of monitoring and enforcing good concession management has been given an additional dimension with the declaration of the National Park, because National Parks are managed by the central Government Conservation Agency, not the District Forestry Department. Monitoring and collecting evidence of incursions into the National Park by logging companies is now the responsibility of the Conservation Agency. This should result in more effective monitoring and action, because forest protection is the main task of the Agency and because they have no vested interest in the local income generated by logging operations. However in practice the Agency's lack of staff, minimal operational funding, and lack of access to information (e.g. satellite imagery) makes them incapable of carrying out this duty effectively in such a large and inaccessible area. At present the newly declared National Park falls under the management of the Tidore sub-section of the Agency. According to central Conservation Agency procedures, a National Park should be allocated a separate management team with supporting facilities, and the Conservation Agency has requested central Government budget for 2005 and 2006 in support of this process (Annex 26a). BirdLife Indonesia will lobby to ensure that the budget allocations in future years are adequate, and improving the capacity of existing staff and new ones as they are allocated is a key task of the project.

## **3. Local threats to forest cover within the National Park**

At a handful of specific locations, mostly close to the borders of the park, forest degradation and direct exploitation of biodiversity (non-timber forest products, including trapping of birds) is the result of small-scale activities of local communities, transmigrants, or artisanal gold miners. These issues do not represent an immediate threat to the integrity of the National Park as a conservation area, although they may threaten specific elements of biodiversity, so there is an opportunity to work with the stakeholders concerned to find the most effective solution.

The locations where these local management issues are known to exist are:

- 2 villages, Hijrah and Akekolano, each consisting of 4 sub-villages close to the western border of the Aketajawe Block, where villagers are known to use old logging trails to extract timber.
- To the south-east of the Aketajawe section is a national transmigration settlement, Kobe Kulo, which has a population of over 1000 people originating from West Java and Lombok. The settlement was developed in conversion forest and directly borders the national park, and there have been reports of small scale timber extraction and farming inside the park boundaries. Another transmigration settlement, Pintatu, is located on the north east border of Aketajawe with a population of over 700 people from Java. In the same area the community in a local village has formed a farmers group who has obtained a small scale logging license and are extracting timber from the edges of the National Park.
- *South of Lolobata the transmigration settlement Maratana Jaya was developed in conjunction with an industrial timber plantation in conversion forest. Failure of the timber plantation, linked to uncontrolled burning, and consequent agricultural expansion by the community all have the potential to affect forests inside the park.*
- *South-east of Lolobata the settlement of Miaf is an access point for illegal artisanal mining of gold along the course of rivers within the Park. The mining is causing local habitat loss, and bringing associated threats of mercury pollution and locally increased hunting pressure.*
- Bird trapping and non-timber forest product collection is undertaken in a number of villages and by the small nomadic population of Forest Tobelo people. There is no evidence that these activities are un-sustainable but information is scant and some simple monitoring is needed to clarify their significance.

Concession managers and the District Forestry departments also have a role in addressing local management problems because logging roads through the concessions are used to access the forests within the National Park, or because threats to the park are a result of the failure of concession management and Forestry Department to accommodate local community concerns. The establishment of the multistakeholder forum through this project will be a mechanism to encourage these groups to address their responsibilities.

## **4. Potential threats from regional development and agricultural expansion outside the Park**

In addition to threats within the park, the forests outside the park are directly threatened by licensed and unlicensed logging, conversion to plantations as well as clearance for agriculture and development of roads and the new Provincial Capital at Sofifi. A time series of satellite imagery shows forest loss is still localized around population centers on the coast, but spreading inland and up-slope away from settlements and particularly along roads. Unchecked and unplanned, the continuing loss of forest outside the National Park will in future divide the Park into two isolated blocks, and result in increasing pressure directly on the Park for land, timber and forest products.

The degradation and loss of forests in logging concessions outside the National Park is a result of concession mis-management and weak supervision by the Forestry Department: logging operations within the concessions leave heavily damaged forest which is vulnerable to fire. Subsequently, logged over areas are not currently effectively protected against land clearance and timber extraction by local (unregulated) businesses, resulting in further degradation or complete loss of forest cover. Elsewhere in Indonesia such exhausted production forests are targets for conversion to timber plantation or oil palm, and although such a change of status requires the agreement of the Forestry Minister it has frequently been achieved where the forest is sufficiently degraded, as has already occurred around Mifaf, in east Halmahera District.

There are two road development schemes planned in the area. The first involves improvements to a dirt road from the large transmigration settlement of Subaim on the north coast to Buli on the south coast of the peninsula. This road runs between the two blocks of the national park and has become a focus for access by farmers and chainsaw operators into the forests between the two blocks of the park. A second trans-peninsula road is planned from Lelilef, close to the transmigration settlement of Kobe Kulo, to Ekor on the north coast. This road will run close to the eastern border of Aketajawe and further fragment the forests surviving between the two blocks of the national park.

On the west coast of Halmahera, below Aketajawe block, the province of North Maluku is building its new capital, Sofifi. Whilst the formal plans acknowledge the importance of forest preservation for water supplies and land stability in the new city, experience in other areas is that town Councils find it difficult to control urban expansion.

Finally, mining provides vital income for District Governments in Halmahera, but also poses a local threat to forest cover if not planned and supervised appropriately. Commercial nickel mining is presently expected to cause limited forest loss outside the park in Central Halmahera District within the concession of work of Weda Bay Minerals. The company has expressed a commitment to fulfill its environmental responsibilities including managing access and exploitation in parts of its concession of work and the project aims to facilitate agreement which ensure that this potential threat becomes a net benefit for the Park (Annex 14).

### **Baseline Scenario**

ALNP was declared a new national park in 2004 by the Forestry Minister, with the support of local government. In 2005, limited central Government budget was allocated to the National Park to start establishing an office, a provisional management plan, and to undertake field assessment in priority areas. Further development and basic operational costs have been requested for 2006 (Annex 26a) and it is expected that these allocations will be maintained or increased in subsequent years, and that eventually a full management team will be allocated to the Park. At the same time the pressures described above will continue to cause forest loss and degradation inside and outside the Park.

Based on an assessment of the current situation, and experience from National Parks elsewhere in Indonesia, it is predicted that in the absence of the planned intervention by BirdLife Indonesia the management of the national park will:

- be limited by low numbers of staff with inadequate facilities and equipment (the project will lobby to increase the central Government allocation and secure commitments already made by Weda Bay Mining, as well as pushing for regional Government and other private sector contributions)
- lack the biological or social information necessary for effective prioritization of management activities and planning (the project will work with the NP team to carry out surveys and studies, as well as building their capacity to analyze and use this information)
- Lack the skills and experience to facilitate and manage agreements with private sector and communities bordering the park (the project will provide specific training, opportunities for cross-visits, and on-the-job training in all of these aspects)

In addition if current problems remain unresolved, it is anticipated that regional development (roads, settlements, timber and oil palm plantations) will continue to be planned and executed without consideration of forest conservation issues. In the long term this will result in forest fragmentation outside the National Park, and the isolation of the two blocks of the Park. It will also result in loss of access to forest products by local people outside the Park, increasing pressure on the forests inside.

In summary, in the absence of the project the management of the National Park is likely to be poorly planned, to focus on 'fire fighting' conflicts with communities and concessionaires without resolving them, and to be unintegrated with regional development and planning issues which will decide the fate of the forests outside the park and thus ultimately impact on the conservation of the Park itself. If these pressures continue to operate in the long term it is predicted that the National Park will lose its global biodiversity value.

## Alternative Scenario

The overall development and global environment objectives of this project are to improve the management and sustainability of Halmahera's forest resources through strengthened protection and management of the ALNP. These objectives will be achieved over five years by: (a) stopping forest destruction caused by incursions into the national Park from surrounding concessions, (b) managing local conservation problems with the involvement of stakeholders and local communities; (c) building appropriate capacity within NP managers and also local Government and communities, to ensure the sustainability of the management arrangements; and (d) disseminating lessons learned and experience to other national parks and concerned stakeholders throughout Indonesia.

To achieve this, the project strategy is broken into six components:

Component A, *Defining the scope for management of the National Park*, will be implemented in the first year of the project and will generate information and analysis needed to plan, priorities and execute subsequent activities as well as baselines for monitoring. Satellite image analysis and ground visits to both communities and concessions will give an updated and detailed picture of the status of the Parks resources and the seriousness of current threats. Targeted studies will address the use of natural resources from the park by the Forest Tobelo ethnic group, and the potential impact of the Park on this group, and a biodiversity survey team will establish a baseline of relative abundance of key species, as well as an assessment of levels of trapping and trade in wildlife. The studies and surveys will be undertaken by experienced consultants, assisted by teams recruited from local communities or universities as appropriate. National Park management team staff will be involved throughout, both as formal representatives of the Park, and so that they learn from and can later follow-up on these initial surveys. At the beginning of the second year of the project the results of all the surveys will be brought together into an operational plan, which will form the basis for the working relationship between project and Park for the remainder of the project.

Component B, *Establishing a collaborative Management Regime*, will set-up the institutional arrangements needed to successfully manage the Park including influencing land use practices around it. Based on the surveys (component A) the project will facilitate bi-(or tri-) lateral agreements between Park and Concession Holder, or Park and community/resource user group, where appropriate with the involvement of local Government departments as a third party. For the private companies these agreements will commit them to respect the parks boundaries, protect their own concession from damage, and control access across their concession into the Park for illegal activities. The agreements represent an explicit public commitment to implement activities which are mostly already the legal responsibility of the company, but which have been ignored or contradicted in some cases. The agreement process therefore focuses on public commitment and transparency in implementation, monitored by the NP and the project and reported to the multi-stakeholder committee and relevant Government Departments. For the community agreements the process will be participatory and based on consensus and negotiation, following a model pioneered by BirdLife Indonesia around National Parks in Sumba Island. The main stages of the agreement process are: introduction and explanation of conservation objectives, participatory resource mapping and problem identification, process of discussion within the community to define their own position and aspirations in respect of resource issues, negotiation with Government/NP, signing of the final agreement, and promotion.

The location and condition (marked or unmarked, disappeared) of the boundary of the National Park is expected to be an issue for many communities and concessionaires. The project and NP will work with the Forest Boundaries Agency to re-demarcate and where necessary rationalize the boundary. The technical and legal aspects of this work are funded by Gol budgets as part of the project cofinancing, whilst the project will play a role as facilitator and monitor to maximize the positive outcomes for biodiversity and minimizing conflict. Participation by project staff will ensure that where community land is involved the owners and users are fully aware of their rights, involved in the process, and that their views are adequately represented in the District Boundary Commission meetings which will make the final decision on the boundary. This 'Participatory Boundary demarcation' uses an approach that BirdLife Indonesia has successfully used to resolve conflicts and build consensus in Sumba.

Subsequently, the project and NP management will work to address the highest priority local management issues, involving resource user groups in planning, implementing and monitoring initiatives to make resource use more sustainable. Examples of potential initiatives are planting timber tree species to replace timber sourced from inside the park, intensifying rattan production on forest margins, addressing damage caused by artisanal gold mining, or finding alternatives to capture and trade in endangered species from the Park. Beneficiaries of these initiatives may be resource users in communities around the Park, Forest Tobelo, or migrant artisanal miners and loggers. The project will support planning and seed funding for these initiatives,

and if they are successful small grants support will be leveraged from various government and other sources to expand the impact.

Finally, the project will work with local Government in the Districts around the National Park to reduce conflicts between spatial planning and land use outside the Park, and the Park's conservation objectives. This work will involve forming a multistakeholder forum as a medium in which to bring together Government, Park, communities and private sector interests to share information and experience, and to generate commitment to promoting integrate spatial planning and sustainable land use. The forum will be endorsed by the Governor and Forestry Minister, and will be given the duty of monitoring the collaborative agreements (above) and reporting to the relevant authorities on them. In parallel, the project will provide training and opportunities for study visits connected to spatial planning for relevant decision makers and technical staff of the District Government.

Component C, ***Building Capacity for Protected Areas Management***, aims to ensure sustainability so that by the end of the project the National Park management and other stakeholders have the human and financial resources they require to continue to play a role in the institutional arrangements (component B) established to support management of the Park. Whilst the project will provide training and some urgent and limited equipment directly, the main impact of this component will be achieved by working to leverage support from GOI (central, provincial and District) and from the private sector. In the case of the latter, Weda Bay Minerals have already made a substantial commitment to support Park management, and other companies will be encouraged to follow suit. University students, local survey team members, community members will all be trained in relevant skills for their roles under this component.

Component D, ***Monitoring and Evaluation to support Adaptive Park management***, will enable the progress and impact of the work outlined for component B and C to be measured, using indicators and baselines established under component A. The agreements between National Park and Concession holders, between National Park and communities, and the management initiatives piloted by the project, will be monitored closely and the results reported to the NP, project management, and the multi-stakeholder forum. Satellite image analysis will be repeated to allow monitoring of land use changes and forest condition inside the Park and in the surrounding Districts, as an input to spatial planners as well as park managers. In recognition of the suspected close association between the livelihoods of a small number of Forest Tobelo people and forest resources in central Halmahera, and of their special vulnerability because of their marginalized position in society, the project will specifically monitor for positive or negative impacts of the project, national park, and other land use changes on their livelihoods. Finally, the project will undertake routine monitoring of key wildlife trade issues, and repeat the baseline survey of wild biodiversity (Component A) in the final year.

Component E, ***Replication of the Project model to other sites***, will work 'horizontally' to share experience and information with others involved in managed Parks, and 'vertically' to ensure that the lessons from the project reach policy makers in the central Forestry Ministry in Jakarta. The project will identify protected areas in Indonesia which have similar management context as a priority for sharing lessons, and will facilitate communications and study visits between sites. Policy relevant lessons will be written up and fed into the central Government policy process, which BirdLife Indonesia already participates in, in order to develop technical guidelines. Finally, the project will work with the Government Forestry training schools and the Conservation Training and Resource Centre to incorporate lessons from the project into training materials. An event will be run to promote the project's approach and lessons learned to the Indonesian Mining Association. Updates and new information from the project site and partner sites will be available to practitioners and policy makers through the BirdLife Indonesia website, INCL listserver, library and public response system.

Component F, ***Raising awareness and public support***, will contribute to the commitment of local stakeholders to the project, and thus its sustainability, by creating public support for and 'ownership' of the Park and Halmahera's endemic wildlife. Based on an initial survey, the project will use mass media social marketing approaches which have proven successful in, for example, Sangihe-Talaud, as well as more focused approaches to specific target groups (for example University students of a relevant discipline, religious leaders). These more focused approaches will emphasize building capacity in terms of knowledge and communications skills, enabling the recipients to become advocates for the National Park within their own social groups.

Component G, ***Project management***, will cover the setting up and running of the project facilities, staff team and administrative and financial systems required for running the project. Field office facilities will be established jointly with the National Park authorities. The field project staff will be supported by a project steering committee which includes senior staff from BirdLife Indonesia's head office in Bogor (co-financing for head office staff time and overheads from BirdLife Indonesia).

## B) KEY INDICATORS, ASSUMPTIONS, AND RISKS

The **Project Development Objective** is to establish an effective model for collaborative management of protected areas in Indonesia through development, promotion and replication of the Acketajawe-Lolobata project's multi-stakeholder management approach.

*Key Impact Indicators:*

- Policy makers in the National Forestry Department issue technical guidelines for implementation of the law on Collaborative Management using the project lessons and examples supporting the implementation of the project's model in other National Parks.
- At least two other protected areas in Indonesia plan to adopt the project's approach on the basis of lessons learned from Acketajawe-Lolobata National Park (ALNP).

**Global Environment Objective:** Globally significant biodiversity of ALNP is conserved through an effective conservation management regime which has the active support of local stakeholders.

*Key Impact Indicators:*

- Forest degradation and loss caused by commercial logging operations within ALNP is halted by the end of project, confirmed through comparison of satellite imagery in years 1, 3 and 5.
- Management effectiveness tracking tool score for ALNP improves from baseline of 15 to at least 75 by the project's end.
- Stability or increase in the population of key endemic and globally threatened key species within ALNP, confirmed through repeated surveys in years 1, 3 and 5.

The critical risks and mitigation measures that have been identified during project preparation are briefly described below.

**Central Government policy ceases to support collaborative management as a strategic policy objective.** *Impact:* this would reduce the value of the project as a model which will influence management of national parks throughout Indonesia, leaving it as an 'exception' to the rule. *Likelihood:* the allocation of budgets and direction of subsequent laws suggests that this risk is highly unlikely. *Mitigation:* continued close contact with the Forestry Department at national and local levels to strengthen the case for collaborative management within policy dialogues, and to anticipate any negative policy change.

**New, unanticipated, threats to the park.** *Impact:* would depend on the nature of the threat. The most severe would be granting of a major infrastructure or mining development license within the park. *Likelihood:* given the support from local, regional and national Government for the creation of the park in 2005, and the considerable changes that have already taken place to the proposed boundaries to accommodate regional development needs, the likelihood is moderate. *Mitigation:* continued liaison with local planning authorities to ensure that the park is properly represented in official maps and documents, monitor activities of exploration in the area with the help of established corporate partners. In the event of a serious threat, an information campaign and/or legal challenge by an appropriate local NGO would be mounted.

**Central Government fails to deliver promised co-funding.** *Impact:* lack of Government funding would delay but not derail the project process. The basic staff team and infrastructure is already in place. *Likelihood:* the strong support from the region and the potential of external assistance has encouraged central Government to move quickly to establish the management team and office. This indicates strong political commitment to this site and project. *Mitigation:* the project and Bank staff will monitor Government allocations and where necessary make representations to the appropriate authorities, together with the GEF Focal Point, to lobby for the commitments to be fulfilled.

For further details, see the project logframe.

## **COUNTRY OWNERSHIP**

### **a) COUNTRY ELIGIBILITY**

Indonesia ratified the Convention on Biological Diversity on 24 August 1994.

### **b) COUNTRY DRIVENNESS**

The new *Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2003-2020* published by the National Agency for Development Planning as its vision:

"An Indonesian society which is concerned, empowered, independent, and intelligent in conserving and utilizing biodiversity in an optimum, fair and sustainable manner through responsible management with the ultimate purpose of enhancing its community welfare".

Under this it has set the following objectives:

- to develop the quality of Indonesian individuals and society who are concerned with the conservation and sustainable use of biodiversity;
- to strengthen resources for supporting the development of science, technology, and the application of local wisdom for the conservation and sustainable use of biodiversity;
- to reduce and stop the rate of biodiversity degradation and extinction at the national, regional and local levels, along with rehabilitation and sustainable use efforts;
- to empower institutional, policy and law enforcement arrangements at the national, regional and local as well as customary levels so as to be effective and conducive for the management of biodiversity on a synergic, responsible, accountable, fair, balanced and sustainable manner; and,
- to achieve a fair balance of roles and interests of Indonesian society as well as to reduce conflict potentials among all relevant sectors in a conducive, synergic, responsible, accountable manner in the sustainable use and conservation of biodiversity.

The proposed project encapsulates this vision by taking an innovative and pilot approach to implementing a multi-stakeholder approach to protected area management, through fostering agreements between national park management, local government, communities and private sector supported by a transparent mechanism for implementation to secure a new national park of high biodiversity value.

In terms of site-based interventions, the *Indonesian Biodiversity Strategy and Action Plan 2003 - 2020* highlights that the province of North Maluku has some of the most important and least effectively protected biodiversity conservation sites in Indonesia. It particularly emphasizes the importance of the island of Halmahera, which is the largest island in Maluku and was the largest island in Indonesia without any protected area before the declaration of the Aketajawe-Lolobata National Park. Moreover, the recognition of the importance of Halmahera, and the Aketajawe and Lolobata Forest Blocks in particular, dates back to the Indonesian National Conservation Plan of 1981. In 1997, the report of the World Bank-funded *Review of the Protected Areas System in the Indo-Malayan Realm* reiterated this recommendation. The designation of the ALNP was an important contribution to the biological representativeness of the Indonesian PA system; changing the status of ALNP from a newly-created paper park to an effectively managed conservation area will ensure conservation of habitats and species not represented elsewhere in the system and contribute to the overall sustainability for Indonesia's rich biodiversity.

In addition, as a nation of islands, Indonesia has an interest in the CBD multi-year program of work on Island Biodiversity adopted at the seventh meeting of the Conferences of the Parties. The work program notes the high levels of endemism and threat in island taxa, and the fragility of the ecosystems on which they and human livelihoods depend. This project aims to facilitate implementation of this program of work, and will complement and benefit from experiences in BirdLife Indonesia's other interventions on islands in eastern Indonesia (Tanimbar, Sumba, Sangihe, Talaud) by providing an example of how the interdependence of livelihoods and environment on islands can be harnessed to create support for conservation and collaborative management.

## **2. PROGRAM AND POLICY CONFORMITY**

### **a) FIT TO GEF FOCAL AREA STRATEGIC OBJECTIVES AND OPERATIONAL PROGRAM**

The project is consistent with the principles of GEF OP#3 - Forest Ecosystems, in affording proper protection and sustainable conservation to unique forest ecosystems of global significance and their threatened

biodiversity through a building constituency of support amongst local stakeholders including creating management agreements and enabling coordination through a structured multi-stakeholder forum.

The project contributes primarily to GEF's strategic priority B SP1 (*Catalyzing Sustainability of Protected Areas*) by a) expanding and strengthening the PA network to include effective protection of habitats and species within a unique bioregion, until very recently not represented in the PA system and b) piloting new models of collaboration between NP management, local government and the private sector to ensure strong local ownership and support for the PA. This new approach to PA management is appropriate to the new era of decentralization in Indonesia and expected to provide lessons relevant to conservation managers and policy makers throughout Indonesia, thereby making a significant contribution to policy formulation at national level. The project will strengthen conservation in a biologically important island, with high endemism, through a suite of management interventions to be tested at the ALNP site. This site will also be used as a training node to demonstrate collaborative management responses to threats that are systemic throughout Indonesia's protected area system, and that are reinforced and perpetuated by lack of convincing examples of practical alternatives to the current management paradigm. In fact, while the project focuses on implementing activities in one protected area, it specifically includes a budget allocation for ensuring policy impact and replication of the model demonstrated by the project to other sites. By producing and disseminating lessons, especially on the multi-stakeholder process and collaboration with the private sector, including the powerful mining lobby, the project will contribute to overcoming these two obstacles and to broadening participation in, and support for, the protected areas network in Indonesia.

The project will support specific activities to work with local government on spatial plans to ensure that development planning takes into account a) the likely impact of ongoing and future developments on the two protected areas of the ALNP and the linking forest corridor and b) the impact of the national park on future development in the region e.g. importance for watershed protection to maintain water quality for the new town of Sofifi. This integration of national park and biodiversity concerns into wider development planning in a living landscape, will also contribute to the GEF's strategic priority B SP2 (*Mainstreaming Biodiversity in Production Landscapes and Sectors*).

The project contributes to many of the objectives and work programs of the Convention on Biological Diversity and 2010 targets, especially the work program on protected areas adopted at COP7, the work program on forests and the work program on island biodiversity expected to be adopted at COP8.

## b) SUSTAINABILITY (INCLUDING FINANCIAL SUSTAINABILITY)

A number of features of the project will help to ensure post-project sustainability of the management structures and systems which will be developed. The activity which poses the most severe threat to the Park, incursions by neighboring logging concession holders, will have been stopped, and any future attempts to resume such activities will be easier to detect and stop because of the baseline of maps and monitoring system established by the project including increased capacity for using Geographic Information Systems within the National Park management team. Political pressure for concessionaires to implement their agreements with the Park will have been generated and will be maintained through supervision by the multi-stakeholder forum.

The Park's agreements with communities will also contain clear and measurable indicators of success and rules which will be monitored jointly by community and Park management team, with greater transparency ensured through reporting and supervision by the multi-stakeholder forum. Once the agreements are being implemented the management of the Park will retain the option of withdrawing approval for community access to the Park. The sustainability of management agreements will be assessed by considering (a) if the agreement itself has been formally accepted and acknowledged by all relevant parties, (b) the degree to which the implementation of the agreement has become the responsibility of stakeholder institutions, and (c) the degree to which the implementation is funded/supported by local stakeholders.

Successful post-project implementation of these monitoring activities will rely heavily on the appropriate skills and attitudes within the Park management team, and appropriate supervision by their senior officers. Building this capacity during the 5 years of the project is an explicit focus of the project (component C) and will involve on the job training, with Park staff involved in every community facilitation and survey activity, specialist training courses outside Halmahera, and learning visits to appropriate sites and institutions.

To influence land use outside but related to the National park, the project will facilitate coordination between agencies over regional development planning and spatial planning through the multistakeholder forum, and build technical capacity within the District Governments planning agencies. The project expects to be able to influence major decisions about, for example, the location of transmigration settlements or the downgrading of

production forest to conversion forest. However, continuing to consider the Park when taking such decisions after the project ends depends on the policies of District Governments and private sector. The project strategy is based on giving the best possible chance of sustainability by building a public constituency for the conservation of the National Park (raising awareness of the public in North Maluku in general, and specifically raising awareness of rights and responsibilities amongst forest-edge communities), creating a mechanism to make the necessary coordination as easy as possible (the multistakeholder forum).

The sustainability of the multistakeholder forum as a mechanism for coordination and supervision also represents a challenge. The continued existence of the forum after the project is not in doubt because it will be established by the Governor and Ministry of Forestry. However ensuring that the forum continues to be effective and to be viewed as such by all stakeholders will depend on the project being able to negotiate the creation of a forum that can deliver positive solutions for stakeholders often enough that it continues to be worth their while to participate. The evaluation process built into the projects activities is intended to support this.

#### **Leveraging sustainable financing for post-project Park Management**

The central Government works on annual budgeting basis and is therefore unable to give specific commitments for financing for the Park. However the support provided in the 2005 financial year, for establishing a Park office, promotion, and checking the status of the boundaries in key areas, is a clear indication that the Park is accorded priority within the Forestry Department, and the budget request for 2006 has been increased from 2005 levels (Annex 26a). The project has specific activities intended to leverage greater funding from central Government. Once a full management team is allocated to the Park by central Government (a specific objective of the project's advocacy) their basic running costs are very likely to be covered.

The project aims to leverage significant funding from the private sector in the area in support of the Park. In particular, Weda Bay Minerals has already made a commitment to long-term support for the park, a commitment that is conditional on starting full mining operations (expected within the lifetime of the project) and is then expected to last for at least 25 years. This commitment, in kind (provision of office space, facilities, resources) and financial support is worth at least US\$100 000 per year. Contributions from other major industries in the region will be sought, but receiving contributions from logging concession will be contingent on them improving their management practices, to avoid the Park becoming financially dependent on industries which it is in conflict with.

The following table outlines the estimated costs of sustaining the projects impact and potential sources of income to meet those costs:

Activity	Stakeholders Involved	Estimated annual cost (USD)	Source of revenue
Monitoring of logging concession activities	NP management, concessionaires, District Forestry Dept	5,000	Private sector, Department of Forestry
Monitor community agreements and other management issues	NP Management, NP boundary communities, specialist user groups	5,000	Private sector, Department of Forestry
Routine boundary monitoring and maintenance work	National park Management assisted by neighboring land managers	5,000	Private sector, Department of Forestry
Run the National Park management system and implement National Park management activities	National Park management Team, stakeholders in individual management agreements	75,000	Department of Forestry, Private Sector, stakeholders in management agreements
Continue to monitor and evaluate management performance and overall conservation impact.	National Park Management Team, other stakeholders (e.g. NGOs, Universities)	4,000	Department of Forestry, private sector
Continue to integrate national park planning and district spatial panning in future revisions through the multi-stakeholder forum	District Government, National Park Management Team, major community and private sector land managers	10,500	Department of Forestry, private sector
Continue awareness activities to promote support for the national park	District Government, National Park Management Team, NGOs, education institutions	10,000	Department of Forestry, private sector

### c) REPLICABILITY

The issues which are addressed by this project - of controlling the activities of neighboring concessions, negotiating with local communities, and integrating protected area management into District Spatial planning - are found in the majority of protected areas in Indonesia. The project design explicitly incorporates activities to disseminate information on the approach and the lessons from the project to protected area managers and policy makers throughout Indonesia, and intends to make a significant contribution to policy formulation at national level. These activities are supported by the integrated M and E system which has as a specific objective the identification and documentation of lessons and experience. To ensure the work with protected area managers has the maximum impact the project will identify protected areas where the problems faced are similar to those addressed by this project. Information to do this is available from the Forestry Department and members of the NGO-Government partnership which is working for collaborative management of protected areas in Indonesia.

The project will raise awareness of its work and approach amongst Forestry Department decision makers and protected area managers (reached through their annual meeting, the Forestry Department in-house magazines "Majalah Kehutanan" and "Konservasi Alam", and through development of additional official technical guidelines for the management of protected areas, "Petunjuk Teknis" and "Petunjuk Pelaksanaan"). In addition, Government and non-Governmental institutions that support protected area management, national and international NGOs as well as donors, will receive information on the project's approach and results through email discussion groups, reports and fact sheets. The project will target the Forestry Department's Biodiversity Information Centre and Training Unit and the NGO-Government Conservation training Resource Centre for collaborative work to develop materials based on the project for the Forestry curriculum.

The project will invite staff from protected areas facing similar management problems and to participate in more intensive exchanges of ideas and information, including study visits to Halmahera and sharing reports, newsletters and through an email group.

To achieve policy impact the project will build on BirdLife Indonesia's existing link into policy dialogue within the Ministry of Forestry (BirdLife Indonesia is part of working groups formed to discuss Collaborative Management and revision of the conservation laws by the Ministry, and has also successfully promoted policy amendments based on field site experience from its long standing project on Sumba Island). The basis of BirdLife Indonesia's intervention will be 'lesson learned' documents synthesizing experience from the project and framing it in the context of current forest policy debates.

Whilst the Forestry Department, at operational and policy levels, is the primary target of work to ensure replication of the project approach, the Mining Industry also plays a vital role because it is a sector which is (a) often close to areas of conservation interest, and (b) in a position to financially support conservation initiatives. The industry is organized (there is a representative institution in Jakarta) and therefore easy to inform about the project. The project will work with a prominent mining company which has committed to support the National Park, Weda Bay Minerals, to promote the role that the industry could play at other NPs.

Requests for further information on the project by any of the target stakeholders and the general public will be handled by BirdLife Indonesia's public response centre, using information stored and updated regularly by the organization's knowledge centre. All public documents and summaries of progress and lessons learned will be available on BirdLife Indonesia's website.

### d) STAKEHOLDER INVOLVEMENT

#### **Stakeholder involvement in project planning**

The process of stakeholder consultation concerned with development of this proposal is in two parts:

- o *Consultation about conservation of forests in central Halmahera and the proposal for the National Park.* The declaration of Aketajawe-Lolobata National Park in October 2004 comes after an interrupted process of research and consultation spanning nine years. The creation of the park was based on the written support of the District Heads of the three Districts involved, and the Governor of the province. Extensive consultation with local NGOs, private sector stakeholders, local communities and NGOs working on community development issues in the region was also undertaken.

- *Consultation on aspirations and commitment of stakeholders to conservation management in connection with the objectives of this proposal, after the Park was declared.* The project itself was developed in response to requests from the local governments and NGOs that they be included in the establishment of national park management, and is based on discussions and planning sessions with the regional (Ambon-based) Natural Resource Conservation Department Office, as well as with neighboring private sector interests, government departments, and community representatives.

#### **Stakeholder roles and responsibilities in the project**

- *Local communities bordering the national park.* Approximately 9000 people in three traditional villages (comprised of 9 sub villages) and three transmigration settlements are close to the borders of the national park. The relationship between these villages and the park and other stakeholders will be negotiated through Village Conservation Agreements. The agreement process starts with participatory rural appraisal based techniques to investigate natural resource use and institutions in the community. Participation of all sections of the community will be encouraged, to ensure that the process is representative and accepted by all. Initial agreement at village level is followed up by facilitation of three-way negotiation between community, national park management, and local government. The agreement records the final common position on the accommodation of community aspirations into national park planning, and the commitment of the community to enforce the agreement and support the national park. It includes specific activities to address unsustainable use of forest resources, and agricultural encroachment. In addition these communities will then be expected to choose a representative who will participate in the multi-stakeholder forum and discuss broader land use planning and policy issues.
- *Private sector.* The Lolobata section of the National Park is bordered by two logging companies, PT. Nusa Padma and PT. Tunggal Agathis Indah Wood Industries (TAWI); whilst the forests between the two blocks, and bordering the Aketajawe section, are included in the concessions afforded two mining companies, PT.Aneka Tambang and PT. Weda Bay Minerals. Where their concessions are directly bordering the national park, these companies are expected to ensure that their own activities do not impact on the park ecosystem, and to prevent the use of their roads and trails by others to access the resources of the park. Data and information from these companies will be important for monitoring and taking action against illegal exploitation. In addition to these actions, which are part of their responsibilities as concession holders, the logging companies are expected to participate in three-way discussions and where appropriate sign management agreements with local Government and the National Park about land use in their concessions after logging. These discussions will ensure that land use planning considers conservation planning (avoiding isolation of national park), community needs, as well as regional development priorities. In addition, the project will work to ensure that these companies participate fully in the multi-stakeholder forum, and that they contribute to attendance and the long term sustainability of the forum.
- *The Provincial Government of North Maluku and District Governments of Central and East Halmahera District and Tidore Kepulauan Municipality.* The project will work with the related departments of the executive (forestry, planning, environmental control, mining, agriculture, transmigration, plantations, and community development) to engage them in the project and to ensure that their planning and budgeting does not conflict with plans for the conservation of the national park. Key departments are expected to approve management agreements, and to participate in the multi-stakeholder Forum as well as contributing directly in terms of funds or time to the process of the forum. The district governments will officially endorse the creation of the multi-stakeholder forum and the management agreements which will be facilitated by the project. The technical departments and law enforcement agencies will also play a role in ensuring that these agreements are implemented.
- *The Provincial Natural Resources Conservation Department/National Park Management Team.* This team has the legal authority for the management of the national park and will be a key partner of the project in implementation. The national park team will provide staff to accompany rapid assessments at the beginning of the project, and to support the implementation of management agreements with other stakeholders. The team is expected to participate fully in the multi-stakeholder Forum, using it as a sounding-board to test opinion, a mechanism to resolve disputes, and a vehicle to build the commitment of other stakeholders

#### **e) MONITORING AND EVALUATION**

This section focuses on monitoring and evaluation in the context of the management of the project, in particular measurement of the indicators specified in the logical framework. The data used to monitor and evaluate the indicators of success of the project are overlapping with, but not exactly the same as, the data needed for National Park management monitoring. Project monitoring will focus on issues of efficiency of use

of project funds and staff, achievement of intermediate deadlines, as well as impact. Project monitoring will include monitoring of indicators connected to replication and policy impact, which are not relevant to adaptive management of the ALNP. Project monitoring will be the basis of accountability to donors and other stakeholders, whereas national park management monitoring will focus more on issues of practical concern. For efficiency and practicality these two programs of monitoring will be integrated.

#### Monitoring Strategy

Project monitoring will feed into annual evaluation of the status of indicators compared with the baseline situation. Baselines will be established during the first year of the project, and at the same time indicators will be reviewed to ensure that the monitoring generates relevant data to guide management. At the end of the first year a revised project monitoring plan will be produced incorporating information from the baseline surveys and laying out the plan for monitoring henceforth. Without pre-empting the results of that review and plan, the following general principles will apply to project monitoring:

- Biodiversity and threat monitoring will be conducted at the landscape, site and species level. Landscape level (i.e. the National Park and the Districts in which it exists) will be monitored through satellite image analysis strengthened by data from ground surveys. Landscape level monitoring will focus on broad changes in vegetation, particularly forest cover, and particularly the impact of major developments such as roads and mining operations. Site level monitoring will generate data on the National Park and neighboring logging concessions and villages, and will focus on areas identified as especially vulnerable (e.g. where logging companies are active, where there is artisanal mining, logging or other exploitation). The monitoring will gather data on both the impact (e.g. area and intensity of forest disturbance, stock of forest products, species) and processes (e.g. volume and value of exploitation, number of people involved). Species level monitoring will focus on key endangered, charismatic or economically important species which are indicators of the overall conservation value of the site and key to arguments for its conservation.
- The effectiveness of management of the National Park will be subject to monitoring using the Management Effectiveness tracking tool. Initial assessments have already been done (see Annex 23) and will be repeated at the beginning of the project to provide a baseline.
- *Monitoring of the impact of capacity-building components of the project will include pre-and post-testing of skills transfer. Evaluation will be non-formal but standardized. Attendance and participation levels will also be monitored.*
- For management initiatives implemented as follow-up to Community-National Park agreements indicators and monitoring protocols will be defined during the planning process for each initiative. Monitoring will be undertaken jointly, with budget allocated to build local stakeholders' capacity to do this. Each year the results of monitoring community projects will be compiled into the project's annual report.
- All monitoring activities will fulfill the multiple purposes of generating data to measure management performance, building capacity to monitor, and generating 'stories' and information for awareness and publicity work. Capacity to monitor will be built by involving the relevant stakeholders in the planning, execution and analysis of monitoring, including giving training where necessary. The management of data resulting from the monitoring will be part of an integrated hardcopy and electronic filing system based at the National Park HQ, enabling data from monitoring activities to be accessed for development of public awareness and advocacy materials.

#### Organizational aspects of monitoring

The data to be gathered and the timetable for monitoring will be defined in a monitoring plan to be developed at the start of the project, and revised at the end of year one based on the baselines established and indicators identified. The monitoring plan will be approved by the project steering committee. With the plan as a guide, the project manager will be responsible for timely monitoring of the project, including ensuring that staff involved in each component allocate resources and time for monitoring. The project field administrator will maintain records of expenditure per activity on the project. This 'first line' of monitoring will be backed up by the specialist inputs of BirdLife Bogor staff and short term consultants.

Results of monitoring will one of the main inputs into the projects reports, which will be circulated to donors and the Government. The project field team will compile these reports, for final editing in Bogor. A summary of the monitoring data will be presented in each project report, and the annual report will review the status and appropriateness of each indicator. Financial information from the project field office will be analyzed and linked to activity information by BirdLife Indonesia headquarters staff in Bogor.

The baselines, monitoring data and other information will be the basis for project evaluations at the mid-term of the project and in the last year (see below).

Information gathered during monitoring will be stored in a simple indexed filing system which allows storage and retrieval per component, per activity or across components by theme. This system will facilitate report preparation, but also make accessing information easy for lesson learning, and developing education and advocacy materials.

#### Project evaluations

Evaluation involves a rigorous process of comparing actual progress, achievements and impact with original plans, as well as considering the broader political and social context in which the project works. The evaluation process will enable project management to adjust the project strategy, support the lesson learning process which is the basis for replication of the project approach, and will produce recommendations to maximize the sustainability of the project's impact. Internal evaluations will be carried out annually as part of the project planning and reporting cycle. They will be based on the milestones for each activity which are noted in the logical framework, and which will be revised following the annual evaluations. External evaluations will be carried out in Years 3 and 5.

#### Performance indicators and monitoring data

Data to be gathered to measure the status/achievement of each indicator or target is described below. This plan is preliminary and will be revised at the beginning of the project, and after the end of year 1.

#### 1. Performance indicators for the overall development goal

Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
Policy makers in the National Forestry Department issue technical guidelines for implementation of the law on Collaborative Management using the project lessons and examples supporting the implementation of the project's model in other National Parks	- Consultation documents and drafts from Forestry Dept (intermediate target) - Minutes of consultation meetings held between FD and BirdLife Indonesia (intermediate target) - Final official technical document	- maintain contact with relevant officials in Forestry Department (minimal monthly contact) - centralized filing system for all documents sent out by Forestry Department, minutes of meetings, and for final document	- routine contact with the Forestry Department in Jakarta is the job of the project manager and Conservation Programs Director in Bogor (part of management support Bogor) - engagement with FD for policy influence is linked to activity E3
At least 2 other protected areas in Indonesia plan to adopt the project's approach on the basis of lessons learned from Aketajawe-Lolobata	- list of protected areas with similar management context (intermediate target) - correspondence and trip report from PA managers study visits to ALNP (intermediate target) - management plans/workplans/reports from NPs which have implemented project approach (final target)	- list, filed at BirdLife Indonesia Bogor office  - filed correspondence and trip reports  - collate and file copies of management plans/other supporting documents from NP whose managers attend study visits to ALNP	List is output from activity E1. Correspondence and trip reports are outputs of activity E2.  Collation of management plans and other documentary evidence of implementation is a specific task that will be implemented by the BirdLife Indonesia knowledge centre in Bogor.

#### 2. Performance indicators for the global environmental goal

Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
Forest degradation and loss caused by commercial logging operations within the National Park is halted by the end of project	Comparison of satellite imagery and field survey of forest condition within the national park in year 1, 3 and 5	Procure and analyze (consultancy contract) satellite image, prepare land use/forest cover map. Brief field teams doing concession and	Initial baseline will be established as part of activity A1, and subsequent analysis is under activity D3. Ground truthing will be

Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
		community surveys on ground truthing including use of GPS. Collate and cross-check analysis against ground check data.	undertaken by field teams implementing activities A2, A4, with contributions from studies undertaken under A3. Ground truthing repeat analysis will also be supported by activities D1, D2, D4 and D5.
NP management effectiveness tracking tool score improves from baseline of 15 to at least 75 by the project's end.	Evaluation using management effectiveness tracking tool at the beginning, middle and end of project.	Sources of information in management effectiveness tracking tool are the National park management team (annual budget, staffing, activities, policies), and the results of annual project monitoring of work with communities and concessions (monitoring component C). Compiling this information 3 times during the project will be task of the project leader.	Collection of baseline information from the NP management will be part of the capacity needs assessment (C1 and C2)
Stability or increase in the population of key endemic and globally threatened key species within the National Park	Comparison of recorded numbers of key wildlife species during survey in Yr 1, 3 and 5. Provisional list of key species in annex 1 amended during baseline study (A4)	Representative surveys carried out in (provisionally) 6 sites, 3 times, and analysis to compare the results. Planned and implemented by the Biodiversity survey consultant with local team support.	Establishment of the baseline is part of activity A4, repeated monitoring is part of the activity D5.

### 3. Performance indicators for project outcomes

	Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
A	Information available on physical state of boundaries and habitats, current level of exploitation, and perceptions and priorities of all key stakeholders, by end of yr 1	Results of satellite image and ground surveys, rapid biological and social surveys, analysis of legal maps of concession and forest reserve boundaries.	Collate and file information - task of the GIS consultant with the project manager	Satellite analysis and field surveys are part of component A. Analysis of maps and boundaries is part of activity A1 as well as a first activity in B1
A	5-year operational plan document agreed between project and national park team by 1 <sup>st</sup> quarter Yr 2	Document formalized through exchange of letters between project and national park management	- Physical document printed and bound - to be done by the National Park staff with the projects support as necessary - filed correspondence	Linked to component A5 and overseen by the project manager supported by the Bogor office
B	Agreements between ALNP and all key communities,	- Identification of concessions and communities	- analysis of spatial and field survey data, legal documents (joint task of	Initial analysis is covered by activities of component A,

	<b>Performance indicator</b>	<b>Data/information required</b>	<b>Activities to collect data/info</b>	<b>Link to project activities</b>
	concessions holders are signed by the end of year 2	(intermediate target) - Documentation of community agreement processes (intermediate target) - final signed agreement documents	project and NP team) - compile and file documentation of processes (community facilitation staff) -compile and file final agreements (project manager)	agreements are the results of activities B1 and B2
B	ALNP Boundaries are fully demarcated on the ground by the end of year 3	- plans for boundary marking (intermediate target) - temporary boundary marked for discussion with communities (where relevant) (intermediate target) - minutes of boundary commission meetings (intermediate target) - final official map of boundary (intermediate target) - concrete pillars placed/replaced on boundary	- compile and file official documents and documentation of process from Forestry Department (boundaries agency) and boundary commission (project manager) - direct documentation (narrative report, GPS, photographs) during field visits to accompany boundary team/community or boundary team/concession representatives (community participation specialist)	Compilation of official documents will require additional effort by the project manager, but is part of his/her overall job of coordination with Government stakeholders. Field visits and documentation are part of activity B3.
C	Agreed priority training and materials delivered	Needs assessment (information, skills, and resources) and report on capacity building activities; supervision reports; individual and multi-stakeholder forum reports.	- compile and file needs assessment and training/study visit reports. Seek information from both National park and private sector contributors on contributions (annual task of project manager as part of annual reporting)	- assessment is the result of activity C1 and C2, training reports the result of C2.
C	Commitments of at least 110 000 USD per year secured for post-project funding.	Written commitment from viable long-term supporters of national park management	Initially, through multi-stakeholder forum, also through direct contact with industry or other potential supporters. Filed written commitment from long term donors to the Park	- Reports on contributions require the project manager to contact the relevant stakeholders.
D	All relevant stakeholders have access to baseline data and monitoring results for key social and environmental indicators	- list of relevant stakeholders (intermediate target) - annual summary of monitoring results in appropriate language and format (intermediate target) - evidence that stakeholders have received/are aware of how to access monitoring information (at least annually)	- file a list of relevant stakeholders generated during the project initial surveys and update annually - prepare summaries of monitoring results (task of the project leader as part of the annual reporting cycle) - compile and file evidence that stakeholders are aware of the monitoring results (distribution lists,	- list of stakeholders will be generated by component A. project reporting and preparation of monitoring summaries is covered in component G, and dissemination of the report to stakeholders in activity B5.

	<b>Performance indicator</b>	<b>Data/information required</b>	<b>Activities to collect data/info</b>	<b>Link to project activities</b>
			interviews with selected stakeholders) (task of the project manager)	
E	Project policy papers and notes on dialogue with policy makers showing link to achievement of defined policy objectives by end of project	- project policy documents presenting information for decision makers (intermediate target) - defined objectives for policy work (intermediate target, yr 2) - official documents, instructions issued by Directors (yr 5)	- compile and file project documents - compile and file official documents (management support in Bogor)	- production of project policy documents and interaction with Government policy makers is included in component E.
E	Project consulted on proposals to establish collaborative management processes and institutions in at least two other national parks by end of project	- activity and supervision reports of other NPs reflect influence of visits/exchange with ALNP	- compile and file correspondence and records of information sent to other NPs - compile and file reports of visits/workshops and other contact with adopting NPs	- the process of consultation and exchange of information is part of component E.
F	NP and District Government annual plans and budgets are changed to accommodate priority issues in support of the NP	- Annual budget and workplan for District Forestry, planning, infrastructure, and agriculture Departments (as appropriate) for pre-project and each project year	- liaison with district Government to obtain budgets - annual District financial report to local legislature (public document) (task of the project manager)	- liaison with district Government is a routine part of the project managers job and is covered in component G
G	Project plans, budgets, reports are submitted on time, adjusted to incorporate the results of M and E and external factors, years 1-5	- Report documents, Aide memoire from Bank Reviews, external mid-term and final review reports	- compile and file internal control documents (financial, procurement and activity reports) recruit external evaluation consultants and organize evaluation (project manager and Bogor management support tasks)	- routine project planning, management and monitoring is covered by component G

**3. FINANCING** (for all tables, expand or narrow table lines as necessary)

a) **PROJECT COSTS**

<i>Project Components/Outcomes</i>	<i>Co-financing (\$)</i>	<i>GEF (\$)</i>	<b>Total (\$)</b>
<b>Component A.</b> Defining the scope for management of ALNP	95,510	178,348	273,858
<b>Component B.</b> Establishing a collaborative management regime	434,108	169,773	603,881
<b>Component C.</b> Building Capacity for Protected Areas Management	147,271	136,471	283,742
<b>Component D.</b> Monitoring and Evaluation to support adaptive management	80,113	153,133	233,246
<b>Component E.</b> Replication of the project model to other sites	150,335	125,953	276,288
<b>Component F.</b> Raising Awareness and Public Support	51,813	115,961	167,774
<b>Component G.</b> Project management budget/cost*	126,446	120,315	246,761
<b>Total project costs</b>	1,085,596	999,954	2,085,550

\* This item is an aggregate cost of project management; breakdown of this aggregate amount should

be presented in the table b) below.

b) **PROJECT MANAGEMENT BUDGET/COST<sup>9</sup>**

<i>Component</i>	<i>Estimated staffweeks</i>	<i>GEF(\$)</i>	<i>Other sources (\$)</i>	<i>Project total (\$)</i>
<i>Locally recruited personnel*</i>	265	48,838	54,125	102,963
<i>Internationally recruited consultants*</i>	N/A			
<i>Office facilities, equipment, vehicles and communications</i>		48,191	68,785	116,976
Travel		10,936	3,536	14,472
Miscellaneous		12,350	0	12,350
<b>Total</b>		120,315	126,446	246,761

\* Local and international consultants in this table are those who are hired for functions related to the management of project. For those consultants who are hired to do a special task, they would be referred to as consultants providing technical assistance. For these consultants, please provide details of their services in c) below:

c) **CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:**

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<sup>9</sup> For all consultants hired to manage project or provide technical assistance, please attach a description in terms of their staff weeks, roles and functions in the project, and their position titles in the organization, such as project officer, supervisor, assistants or secretaries.

<i>Component</i>	<i>Estimated staffweeks</i>	<i>GEF(\$)</i>	<i>Other sources (\$)</i>	<i>Project total (\$)</i>
<i>Personnel</i>	209		155,375	155,375
<i>Local consultants</i>	2026**	443,532		443,532
<i>International consultants</i>	N/A			
<i>Total</i>	2225	443,532	155,375	598,907

\*\*Includes field assistants

#### d) CO-FINANCING SOURCES<sup>10</sup> (expand the table line items as necessary)

CO-FINANCING SOURCES				
Name of co-financier (source)	Classification	Type	Amount (\$)	Status*
BirdLife Indonesia/International	NGO	In cash	405 246	Committed
Government Forest Boundaries Agency (BPKH)	Local gov't	In cash	310 500	Planned**
Govt Natural Resources Conservation Agency (PHKA)	Local gov't	In cash	99 750	Planned**
Local corporates	Private sector	In cash	150 000	Committed***
Local corporates	Private sector	In kind	120 100	Committed***
<b>Sub-total co-financing</b>			<b>1 085 596</b>	

\* Reflect the status of discussion with co-financiers. If there are any letters with expressions of interest or commitment, please attach them.

\*\*Central Government have made a commitment to apply for the funding within the Government's annual budgeting process. At this stage a firmer commitment is not possible (Annex 26a and Annex 26b).

\*\*\*The total contribution from local corporates is a minimum estimate based on the written commitment from Weda Bay Nickel (annex 14). The division between grant and in-kind is indicative and subject to discussion.

### 4. INSTITUTIONAL COORDINATION AND SUPPORT

#### a) CORE COMMITMENTS AND LINKAGES

The World Bank Country Assistance Strategy (CAS) 2004 - 2007 focuses on two key constraints to poverty alleviation in Indonesia: (i) inadequate productive employment, and (ii) quality of service delivery to the poor. The CAS also emphasizes a cross-cutting theme, namely, governance. Within the context of protected areas management and its links to surrounding stakeholders, this project will make a limited but significant contribution to a number of areas within the CAS.

Based on the CAS' second pillar, the project will improve services for the poor by supporting the following outcomes:

- The multi-stakeholder forum will result in greater *accountability of government* and *participation of communities in decision making*, which will inevitably lead to more favorable outcomes for local communities. Participation and transparency will be reinforced by the project's mechanisms for communicating information back to stakeholder groups, which will enable them to monitor the provision of services and learn about their rights and responsibilities.

<sup>10</sup> Refer to the paper on Cofinancing, GEF/C.206/Rev. 1

- Through providing information and on-the-job training to National Park Management staff and to local government departments, the project will also directly address *strengthening of the analytical capacity to reform sectoral and related policies and institutions*, which will allow government staff to better provide services to the poor.

Based on the CAS' third pillar, the project will improve **governance** by supporting the following outcomes:

- The project will contribute to development planning which is more responsive to its constituents through facilitating village level consultation (village conservation agreements in three villages neighboring the park) and implementing activities to integrate district level spatial plans with national park management.
- The project's activities with local industries, including activities to stop damage to the national park by neighboring logging and mining companies, are in line with the World Bank Good Environmental Governance (GEG) program, which promotes private sector and district government compliance with environmental standards. They are also consistent with the World Bank PROPER project, which promotes public disclosure of information on the performance of industry.

### **Lessons Learned**

The proposed GEF project incorporates recommendations made under the aforementioned concept for a World Bank/GEF Maluku Conservation and Natural Resource Management (MACONAR) Project. This project had completed detailed preparatory studies and been accepted into the GEF work plan when it was halted because of social conflict in Maluku in 1999. The central aim of the project was to redesign the protected areas network in the region, build the capacity of government to better manage protected areas, and involve the private sector in their management. The Terrestrial Protected Areas Component Project Preparation Report (Petocz et al 1997) reviews previous studies of protected area priorities on Maluku, confirmed Aketajawe and Lolobata as two of the eight top priority sites in the region, and recommended:

- A rapid ecological assessment of five key sites to produce information for boundary demarcation and reserve management;
- An evaluation of small scale gold panning at Lolobata;
- A social assessment of neighboring villages; and,
- That boundary demarcation is carried out in a transparent and participatory manner.

All of these recommendations have been incorporated into the current project design.

In addition to incorporating recommendations from MACONAR, this project also builds on lessons from across the wider GEF portfolio in Indonesia. Within the Biodiversity focal area, one GEF full-size grant (in Komodo National Park) and two GEF medium-sized projects (in Sangihe-Talaud and Lambusango) are currently underway in Indonesia. A number of projects have recently finished, including the Aceh Elephant Project, the Berbak-Sembilang National Park Project, and the Kerinci-Seblat Integrated Conservation and Development Project.

All of the recent projects have emphasized addressing forest conservation through multi-stakeholder approaches, working at district level, through looking at forest reserves in the wider context of land use around them. The proposed project and the recently initiated Lambusango Project share recognition of the importance of integrating stakeholders in forest management. However the two projects are working in very different social and economic contexts, around different types of protected area. Lambusango is an area of relatively high population, strong traditional communities, with little impact from forest industry, whilst the present project will be in an area of low population density, with significant numbers of transmigrants, and a protected area that shares most of its boundaries with concessions belonging to logging and mining companies. Hence the Lambusango Project emphasizes community forestry and a single management entity as its core strategy; conversely, the proposed project emphasizes private sector involvement and a multi-stakeholder forum to enable integration of the existing interests and authority of its participants.

### **b) CONSULTATION, COORDINATION AND COLLABORATION BETWEEN IAS, AND IAs AND ExAs, IF APPROPRIATE.**

The project addresses the objective of the **UNDP Country Cooperation Framework 2001 - 2005** on environmental management. Within this objective, the project will contribute in a limited way to the aims of the Indonesian decentralized Environmental and Natural Resource Management Program (IDEN).

### **C) PROJECT IMPLEMENTATION ARRANGEMENT**

## **Financial Implementation**

GEF funding and co-financing managed directly by BirdLife Indonesia will be disbursed through BirdLife Indonesia's standard financial procedures, with procurement of consultants and goods managed from the head office in Bogor according to World Bank guidelines. Field costs will be disbursed to the bank account of the project field office based on requests and agreed budgets and work plans. Monthly expenditure reports from the field are checked and compiled into quarterly financial reports in the head office. BirdLife Indonesia's internal financial procedures have already been approved by the World Bank for implementation of the Sangihe-Talaud GEF-MSP.

Co-financing from central government for national park management and boundary demarcation, and from local government for use by their own departments, will be disbursed directly to the relevant Government institution. Co-financing from neighboring private sector industries in support of the management agreements, multi-stakeholder Forum and of National Park management will either be in kind (for example, provision of transport and accommodation, provision of a national park office building) or, when in cash, will flow directly to the final beneficiaries. The project will monitor all of these co-financing flows through annual activity and financial reports from the partner organizations. In addition, financial contributions to the national park will be reported in the public annual report of the multi-stakeholder forum.

Disbursement and financial reporting will be the subject of an annual independent audit and routine internal evaluation by BirdLife Indonesia as well as during World Bank supervision missions.

## **Management Implementation**

The project will use the logical framework as a basis for developing annual and staff work plans, as well as project reporting. A preliminary work plan for project implementation is included in *annex 4*. The work plan will be reviewed at the start of the project with local partners.

The current political and economic realities of North Maluku will necessitate the project having a presence in both Ternate and Sofifi. Ternate remains the gateway to the province, the economic hub, and the seat of provincial Government. Many Government representatives from the Districts on Halmahera island, including those covered by ALNP, have representative offices and houses on Ternate or neighboring Tidore, and officials spend much of their time here rather than in their home districts. That said, in the long term political power will shift to Sofifi, though economic power will probably stay closer to Manado, in Ternate. In this context the decision of the ALNP to build an office in Sofifi is correct - and Sofifi is at the same time a convenient hub for interaction with villages around Aketajawe section. For efficiency and to maximize integration and capacity building impact, the project will combine resources with the NP management, to ensure that there is one main office for project and National Park, and adequate basic facilities for communication in each of Ternate, Sofifi and East Halmahera. The final decision about where to locate the main office will depend on an assessment of the situation when the project starts. The project will also make arrangements with industry and communities around the National Park to share use of their transport and communication facilities.

Lolobata and East Halmahera district are 1-2 days travel from Ternate and Sofifi. Given the intensity of logging activity around this section, a project presence in East Halmahera is essential and a sub-office will be established near the Lolobata block. This will most likely be located at Buli (centre of Government for East Halmahera, the district containing the Lolobata section), although Subaim is also a possibility (large transmigration settlement on the north coast, sub-district headquarters). The office will facilitate communication with key district partners such as the forestry department, planning department and others, and enable the project to participate in their activities. Access to Buli from Ternate/Sofifi is limited: there is a weekly flight from Ternate in a light aircraft, but otherwise access is from the north, crossing from Tobelo to Subaim and then by road across the peninsula, or from the west, crossing the peninsula to Weda and then by boat along the coast. Air travel is frequently disrupted by the weather, and sea travel is frequently impossible during the westerly wind season (early in the year). Accommodation and communications facilities in Buli and Subaim are currently very limited. There is no public telephone service or internet access. Locating a project office in Subaim or Buli will enable such facilities to be available, easing communications between project staff working in Lolobata and in the headquarters in Sofifi/Ternate.

BirdLife Indonesia will establish a project implementation team, who will be responsible to senior management in Bogor for the delivery of the objectives of the project. The field team will be backed up by relevant expert staff based out of the BirdLife Indonesia office in Bogor (e.g. legal expert, community facilitation expert) and resourced from BirdLife Indonesia's co-financing contribution, whilst short term consultants will be hired for specific studies and training activities.

A major part of the project implementation team's work will be facilitating collaboration and capacity building of stakeholders. This approach will be used to maximize skills transfer and institutional development while reducing risks. The team will always work with counterparts from National Park management and/or other local stakeholders in implementing its activities. Where appropriate these arrangements will be secured through official approval from the counterpart's organization.

The project implementation team will run two major internal review meetings each year, the first (October - November) to review the year and finalize planning for the coming year, and the second (March-April) to review progress and plans for the year. Other management meetings will be held as needed in connection with the project's quarterly reporting cycle and specific events. Basic monthly progress reports will be submitted to Birdlime's senior management in Bogor, and detailed quarterly progress reports will be prepared which will include evaluation of the projects performance against the planned strategy and indicators.

The project will establish a small project steering committee, tasked with reviewing draft report and plans and providing inputs, as well as discussing institutional issues which impact on the project. The members of the committee will be senior management BirdLife Indonesia and the Conservation Department, the project manager, and the head of the National Park management team.

The project will identify and contract an independent and appropriately qualified civil society organization (NGO or University department) to serve as an independent channel for any grievances voiced against the project by any stakeholder. The body will attend appropriate meetings of the NP Forum and the steering committee, at least once a year, and will provide a brief report which will form an annex to the project annual report. In the event that there is a grievance this body will compile information, make recommendations to the project for address the grievance, and monitor the projects implementation of these recommendations and the stakeholders reaction.

## **5. REQUIRED ATTACHMENTS**

- a) Report on the Use of Project Preparation Grant (if used)

N/A

- b) Country Endorsement Letter (RAF endorsement letter if BD or CC project)

Attached

- c) Confirmed letters of commitments from co-financiers (with English translations)

Attached

- d) Agency Notification on Major Amendment and provide details of the amendment, if applicable.

N/A

## **RESPONSE TO PROJECT REVIEWS**

a) Convention Secretariat comments and IA/ExA response

N/A

b) STAP expert review and IA/ExA response (if requested)

N/A

c) GEF Secretariat and other Agencies' comments and IA/ExA response

Response to GEF Secretariat Review of 10/24/2005.

### **Conformity with SP1**

- The text has been revised to more accurately reflect that the main contribution of the project is indeed to SP 1 because the project primarily involves strengthening the management of a newly established PA, identification and mitigation of threats to the biodiversity within this PA, and dissemination of lessons learned to other PAs in a similar context, thus promoting replication of successful strategies and catalyzing sustainability. The project will also contribute to SP2 through integration of the of national park and biodiversity concerns into wider development planning in a living landscape.

### **Contribution of the project to the broader PA system**

- The text has been revised to clarify that the project will make a contribution to the long term sustainability of Indonesia's PA system by a) expanding and strengthening the PA network to include effective protection of habitats and species within a unique bioregion, until very recently not represented in the PA system, and b) piloting new models of collaboration between NP management, local government and the private sector to ensure strong local ownership and support for the PA. This new approach to PA management is appropriate to the new era of decentralization in Indonesia and expected to provide lessons relevant to conservation managers and policy makers throughout Indonesia, thereby making a significant contribution to policy formulation at national level.
- Component E on the project's replication strategy has been strengthened to detail the ways in which experiences and lessons learned from the project will be disseminated to management teams in PAs with a similar management context.

### **Safeguards related to forest loss and mining**

- Clarifications have been provided in the text on the nature of the management agreements and the multi-stakeholder forum which will be developed in Component B of this project. Management agreements between the NP authorities and private sector concessionaires will encourage strengthened enforcement of existing regulations affecting forest cover in concessions bordering the NP through increased transparency, minimizing of conflict, and monitoring by the multi-stakeholder forum resulting in greater public accountability.
- Private sector activities in the concessions which do not border, but will affect the NP will be monitored by the multi-stakeholder forum established during the project, which will increase transparency and accountability, and is intended to influence planning decisions by agencies of the Government of Indonesia. However, safeguards requirements and the activities of concessionaires will ultimately remain in the hands of the Government of Indonesia and of the private sector.
- Weda Bay Minerals Inc. is a Canada-based mining company which is committed to effective environmental management and is bound by Indonesian law to restore its mining sites. We note that they are increasing their profile/exposure by publicly supporting this conservation project in-cash and in-kind.

### **Threats, Responses, and Budget**

- The text on key threats to the National Park has been revised to more accurately reflect the fact that the primary threats that the project will mitigate are to the biodiversity within the park, rather than outside the park, and also to clarify what the threats are expected to be. Component A (Defining the Scope for Management), and adaptive project management through the M & E system (Component D) will allow the project to prioritize threats and respond accordingly through activities in other project components, for which budget is allocated.
- Details are given on the seed funding and project staff support allocated in Component B to develop pilot interventions to stabilize top priority community resource management issues; implementation of these initiatives would be through small grant applications as made in BirdLife Indonesia's other GEF-MSP (Sangihe Talaud).

#### **Logframe**

- Both the logframe and the M&E system have been substantially revised to take account of the GEFSEC comments, to include more specific, quantitative indicators. Where baseline figures exist, these have been provided; however, Aketjawe-Lolobata is a newly-established PA and obtaining these baseline figures in many cases is a key part of the Component A and M&E system; this work is scheduled to take place during the first year of project implementation.

#### **Relationship between the Park's Operational Plans/M&E System and Project M&E system**

- The PA's operational plan and management plan are being produced during the project (1<sup>st</sup> Qtr Yr 2 and end Yr 5 respectively) in collaboration with the National Park staff – therefore the project is well placed to influence the design of the Park's M&E system in the long term, ensuring that indicators are adequate, and the system will allow adaptive management. The M&E system will however ultimately remain under the control of the government and will need to reflect national requirements and criteria.

#### **Security Situation**

- Please see the inserted information regarding the security situation, which is normal and stable, as indicated by the revocation of the status of civil emergency (17 May 2003); a successful election process for government officials; increased economic growth; return of refugees; and reconstruction of damaged infrastructure.

#### **Sustainability**

- The text on project sustainability has been updated – this will largely depend on the capacity of the PA staff, for which there is a specific capacity building component. The situation at the borders of the National Park, which is where greatest threats to the Park's biodiversity are currently identified, should have stabilized by the end of the project which will contribute to the sustainability of the project.

#### **Financial sustainability plan**

- Recurrent costs of project implementation have been clarified, and more information provided on the nature of the long-term financial commitments made by the private sector and the projected support of the local office of the GoI Conservation Agency. The latter requests central budget on an annual basis meaning that it is not feasible to obtain firm figures five years in advance. However, the budget details for 2005 and 2006 show that commitment to the national park is increasing.

#### **Stakeholders: Resources and Capacity**

- Activities within Component C, building capacity for protected areas, have been revised for clarity, and indicators have been included in the logframe and in the project's M & E system.

#### **Replicability**

- Further details have been added to clarify that the dissemination strategy is not through publications alone, and additional activities have been added such as running an event to promote the lessons learned from the project to the Indonesian Mining Association in Jakarta. Other PAs with a similar management context to Aketajawe-Lolobata (e.g. bordering logging and mining concessions, unsustainable resource use by local communities) will be targeted in the replication component to ensure that lessons learned from the project's strategy are shared. The budget has also been thoroughly checked to ensure that allocations between components accurately reflect activity requirements, and some changes have been made.

### **Monitoring and Evaluation**

- As mentioned above, both the M&E plan and the logframe have been substantially revised to improve the indicators. Details have also been included on the organizational arrangements and budget for the M&E system as requested; monitoring will be coordinated by the project manager to ensure that the system runs smoothly.

### **Co-financing Letters**

- A new set of letters is provided, but the one from Weda Bay Minerals remains since it is regarded as a firm commitment from a company which has not yet started operation. Annex 26a is a letter detailing the financial commitment made by the Government of Indonesia to the National Park for 2005 and 2006, and Annex 26b is a further letter from the GoI putting these amounts in context of the project activities, and stating that the financial support from the Government of Indonesia over the project period is predicted to be of at least the amounts stated in the Project Brief. Central budget allocations are made on an annual basis, and so a firmer commitment by the Government of Indonesia cannot be made in advance. Annex 27a is a letter of financial commitment from BirdLife Indonesia, and Annex 27b outlines the relationship between BirdLife Indonesia and BirdLife International, and the level of support from BirdLife which has gone to the establishment of the National Park in previous years.

### **Strengthen the project description within each component.**

- Descriptions of the project components have been clarified and reorganized where necessary to give greater consistency, level of detail and structure to the proposal.

**REFERENCE:****CONTRIBUTION TO KEY INDICATORS IDENTIFIED IN THE FOCAL AREA STRATEGIES.**

Each project proposal should indicate its contribution to the key indicators of the focal area strategies in its respective focal area as follows:

**Biodiversity:**

The coverage targets and impact indicators for the Biodiversity Focal Area as set out in the Biodiversity Strategy Paper for GEF-4. All approved GEF-4 biodiversity projects are required to report project contributions to these targets.

In addition, for projects that are submitted under Strategic Priority One and/or Strategic Priority Two, project proponents are required to complete and submit “tracking tools”. The tracking tools will record progress in achieving the coverage targets and impact indicators at the project level. Data that is collected by the tracking tools will also be aggregated for analysis of directional trends and patterns at a portfolio wide level.

The tracking tool formats, including guidance and instructions in completing the forms, can be found at:

[http://gefweb.org/projects/Focal\\_Areas/bio/bio\\_tracking\\_tools.html](http://gefweb.org/projects/Focal_Areas/bio/bio_tracking_tools.html)

**Climate Change:** Please refer to indicators in the Climate Change Strategy for GEF-4.

- Tons of CO<sub>2</sub> emissions directly avoided
- Market(s) targeted for intervention/transformation

**International Waters:**

Please refer to the indicators in the International Waters Strategy for GEF-4.

- Number of transboundary water bodies with measurable results in implementing action programs
- Number of Strategic Partnerships funded to produce measurable pollution reduction.
- Number of new transboundary basins with agreed joint management programs adopted
- Number of SIDS with adopted water reforms and demonstration actions with results
- Number of LMEs shared by developing countries with action programs ready to implement towards WSSD.
- Number of countries with successful demonstrations of innovative measures

**Persistent Organic Pollutants:**

- I.1 Number of countries submitting their initial NIP to the COP
- I.2 Number of countries receiving support to update their NIP
- II.1 Number of countries with strengthened regulatory framework
- II.2 Number of countries with strengthened capacity for enforcement
- II.3 Number of countries with increased awareness of POPs
- III.1 POPs phased-out from use (per compound): tons and cost per ton

- III.2 POPs phased out from production (per compound): tons and cost per ton
- III.3 Tons of POPs destroyed (per compound) and mode of destruction: tons and cost per ton
- III.4 Reduction in releases of by-products: g Toxic equivalents and cost per g TEQs
- III.5 Avoided releases of by-products: g Toxic equivalents and cost per g TEQs
- IV.1 Number of sets of practices or technologies demonstrated
- IV.2 Number of countries where new practices or technologies are introduced

**Ozone Depletion:**

- ODP adjusted tons of HCFC phased-out
- ODP adjusted tons of MeBr phased out
- Number of countries with strengthened institutions for compliance and reporting

**Land Degradation:**

(Note: The LD FA TF is currently working on a global core set of indicators for SLM that will be applicable to the GEF system as well. Therefore, the indicators listed here, are of preliminary nature and will be revised based on the results of the indicator initiative.)

**SO-1:**

- List involved production sectors
- # of policies and planning frameworks in or across three main production sectors harmonized reflecting SLM principles
- # of legal and regulatory frameworks revised/developed promoting SLM (please specify)
- # of institutions (specify government, non-government) with improved/sustainable capacities for SLM
- # of private sector entities involved
- Hectares of land directly impacted by the country program partnerships and/or sector-wide approaches (specify ha for agriculture, grazing and/or forest land)
- # of direct beneficiaries and # of indirect beneficiaries

**SO-2:**

- # of innovative and best practices for sustainable land management in demonstration/upscaling areas applied
- # of institutions (specify government, non-government) with improved/sustainable capacities for SLM
- # of private sector entities involved
- Hectares of land directly impacted by demonstrations/upscaling (specify ha for agriculture, grazing and/or forest land)
- # of direct beneficiaries and # of indirect beneficiaries

**SO-3**

- # of innovative knowledge products that have filled # of knowledge gaps in the LD FA
- # of best practices and knowledge on SLM disseminated in # of countries/regions
- List addressed emerging issue in SLM (e.g. Targeted Research theme)

**SO-4:**

- List Focal Areas involved
- Hectares of land directly impacted by intervention (specify ha for agriculture, grazing land, forest land and/or protected areas or other land uses)
- Land use plan developed harmonizing # of land use types in the target area
- Specify global environmental benefits using individual FA indicators (if possible)
- # of direct beneficiaries and # of indirect beneficiaries



MEI T PROPOSAL  
REQUEST FOR GEF FUNDING

**AGENCY'S PROJECT ID:** P098308

**GEFSEC PROJECT ID:**

**COUNTRY:** Indonesia

**PROJECT TITLE:** Partnerships for Conservation Management of the Aketajawe-Lolobata National Park, North Maluku Province

**GEF AGENCY:** The World Bank

**OTHER EXECUTING AGENCY(IES):** BIRDLIFE INDONESIA

**DURATION:** 5 years

**GEF FOCAL AREA:** Biodiversity

**GEF OPERATIONAL PROGRAM:** OP 3: Forest Ecosystem

**GEF STRATEGIC PRIORITY:** BD-1 Catalyzing Sustainability of Protected Areas

**ESTIMATED STARTING DATE:** January 2006

**IMPLEMENTING AGENCY FEE:**

**CONTRIBUTION TO KEY INDICATORS OF THE BUSINESS PLAN:**

This project directly contributes to the Emerging Strategic Direction for the Biodiversity Focal Area, 'Catalyzing Sustainability of Protected Areas' in two ways. First the project will strengthen management of a newly-created "paper park" of 167,300 hectares which includes habitats and species not represented elsewhere in the national protected area network, thereby increasing representation in the PA network through expansion of conservation efforts into a critical bioregion. The project also contributes to sustainability through design and piloting of a new model of collaborative management under a new central government policy that allows multi-stakeholder involvement in the management of national Parks. This will allow the project to forge partnerships between national park management authorities, local government, the private sector and local communities to increase the effectiveness of National Park management and integrate it into management of the surrounding landscape and natural resources. The Aketajawe-Lolobata National Park in North Maluku will be brought under effective management to test and demonstrate this new model of collaborative management. Existing commitments from neighboring private sector industries to support management of the National Park will be enhanced and private sector support to community development will be linked to sustainable development and resource management. This model will afford lessons learned, and the project will contribute to the development of national level technical guidelines for implementation of the new policy, and will promote replication of lessons learned at other sites, thereby contributing to the sustainability of the national protected area network. The newly declared Aketajawe-Lolobata National Park includes 167,300 ha of forest in an archipelago which is recognized as an Endemic Bird Area<sup>11</sup>, an Important Bird Area<sup>12</sup>, a Biodiversity Hotspot<sup>13</sup> and a Global 200 Ecoregion<sup>14</sup>, and is the only protected area in the archipelago with a near-complete representation of threatened and endemic taxa.

FINANCING PLAN (US\$)	
GEF PROJECT/COMPONENT	
Project	<b>999,954</b>
PDF A	0
<b><i>Sub-Total GEF</i></b>	<b>999,954</b>
Co-FINANCING	
GEF Agency	0
Government	410,250
Bilateral	0
BirdLife Indonesia	405,246
Others (private sector)	270,100
<b><i>Sub-Total Co-financing:</i></b>	<b>1,085,596</b>
<b><i>Total Project Financing:</i></b>	<b>2,085,550</b>

<sup>11</sup> BirdLife International's endemic bird analysis (*Stattersfield et al. 1998*) identifies 218 Endemic Bird Areas based on an analysis of bird species with a natural historical range of less than 50,000 square kilometers. 24 EBAs are in Indonesia and one, Northern Maluku, is the focus of this project

<sup>12</sup> The National Park covers two of the 227 Important Bird Areas identified in Indonesia (*BirdLife International 2004*)

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<sup>13</sup> Biodiversity Hotspots are identified by Conservation International ([www.Conservation.org](http://www.Conservation.org))

<sup>14</sup> Global Ecoregions are identified by World Wide Fund for Nature International ([www.panda.org](http://www.panda.org))

**RECORD OF ENDORSEMENT ON BEHALF OF THE GOVERNMENT:**

*Mr. Agus Purnomo, GEF National Operational Focal Point for Indonesia*      Date: July 15 2005

*Mr. Koes Saparjadi, Director General of Forest Protection and Nature Conservation, Department of Forestry of Republic Indonesia*      Date: December 27 2004

*Ir. Sahulata R. Yohana, Maluku Province Natural Resources Conservation Department*      Date: December 22 2004

This proposal has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for a Medium-sized Project.



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IA/ExA Coordinator

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## **PART I - PROJECT CONCEPT**

### **A - SUMMARY**

#### **Project Rationale**

Indonesia is the world's most biologically diverse country. Although it covers only 1.3 percent of the earth's land surface, it includes: 10 percent of the world's flowering plant species; 12 percent of the world's mammal species; 16 percent of all reptile and amphibian species; 17 percent of the world's bird species; and, 25 percent or more of the world's fish species. In fact, Indonesia ranks first in the world for species richness for mammals (515 species, 36 percent endemic); first for swallowtail butterflies (121 species, 44 percent endemic); third for reptiles (600+ species); fourth for birds (1519 species, 28 percent endemic); fifth for amphibians (270 species); and, seventh for flowering plants. Indonesia's great expanse of territorial waters and the richness of the Indo-West Pacific seas further add to the country's biodiversity. An estimated 40 million people are directly dependent on biodiversity for livelihood and food security in Indonesia. Twelve million people live in and around its forests and many more are dependent on its coastal resources.

In national parks across Indonesia, limited coordination between Park Management teams inside the protected area, and local government, communities and the private sector outside its boundary has made it difficult to take effective action on illegal logging, wildlife trade, forest clearance and other critical issues. As a result limited protected area resources are exhausted in an attempt to police a fraction of the protected area, and the rest of the protected area is *de facto* open access.

Hence, in 2004, the Minister of Forestry issued a new ruling<sup>15</sup> on collaborative management of protected areas. This ruling lays down, for the first time, a legal basis for the establishment of agreements between National Park management and other groups and institutions to collaborate over the management of protected areas. It opens up the possibility of involving communities, local governments, NGOs and private sector in making decisions and managing resources within a National Park, as long as the overall goal of conservation is not compromised. However despite these positive policy changes, the Ministry of Forestry in many areas of Indonesia lacks capacity to take action without external support from key stakeholders. Dependence of local government on revenues from resource extraction industries, and dependence of local communities on natural resources, coupled with low conservation awareness and poor protected area management capacity, continues to cause unsustainable extraction of wildlife and non-timber forest products from national parks across Indonesia, which is thus losing its globally important wealth of biodiversity.

Within Indonesia, North Maluku is a biodiversity hotspot, with many species and habitats of global significance. Maluku is part of Wallacea, the land lying between the Sunda and Sahul continental shelves, a biological transition zone which derives its flora and fauna both from Asia and Australia. North Maluku has 26 endemic species of birds (of which four are endemic genera), eleven endemic mammals, nine endemic amphibians and reptiles, and more than 100 endemic species of land-snail. Over 70% of these endemics are forest dependent. In addition, the region is recognized as a Biodiversity Hotspot and a Global 200 Ecoregion. Nevertheless until recently these unique habitats and species were not represented in the national protected area network. The most extensive forest cover in the province is on the largest island, Halmahera, and the largest and most intact forest blocks on this island are the Aketajawe and Lolobata Forests in Central Halmahera. Aketajawe and Lolobata are two of 227 Important Bird Areas in Indonesia, and host at least 24 of the region's 26 endemic bird species. In addition, Halmahera Island has 8 globally threatened bird species (two of which are endangered, and six vulnerable, see Annex 1).

The Provincial Government of North Maluku and the District Governments in central Halmahera have identified the importance of maintaining the forests in the central hills of the region for their functions in protecting watersheds, providing resources for local communities, and in the long term as part of development of environmental tourism in the region. As a result, in October 2004, the Indonesian Minister of Forestry, recognizing the significance of the biodiversity on Halmahera Island, declared the creation of the Aketajawe-Lolobata National Park (ALNP)<sup>16</sup>, protecting 167,300 ha of the island's forests in two blocks.

<sup>15</sup> Forestry Ministry Ruling (Peraturan Menteri Kehutanan) No.: p19/MenHut-II/2004

<sup>16</sup> Decision of the Minister of Forestry (Keputusan Menteri Kehutanan) No.: SK.397/MenHut-II/2004

The area of the ALNP lies within the jurisdiction of three Districts sub-divided into six sub-districts, and the administrative areas of 41 villages and 6 transmigration settlements, with a total human population of 63,300 people (2004 Government Statistics Agency figures). Over thirty of these villages and transmigration settlements are located on the coast, 5-10 km from the border of the national park and separated from it by production forest. Only three villages and three transmigration settlements are located further inland and are close enough to the border of the park to have a direct impact on its management. The population of these 6 settlements is estimated at 9000 people.

Notwithstanding the political support for its creation, ALNP is still a "paper park", weakly protected and with few management resources. The park's boundary covers 420 km, of which only some 158 km (38%) has been demarcated on the ground (Table 1). The remaining 262 km (62%) exists only on official forestry department maps. Around 90% of the Lolobata block, and 75% of the Aketajawe Block, borders directly on production forest. In Lolobata, this production forest has been awarded as two logging concessions. Satellite imagery shows that in some areas logging had extended into the park from these concessions and that the abandoned logging roads facilitate access and intensify other threats. In Aketajawe the logging concessions from which logging extended into the National Park are no longer active. However the roads they created are used for small scale local timber extraction. This mis-management of existing and old concessions is a result of bad practice by the concession holder combined with weak supervision by the District Forestry Department. With the declaration of the National Park the forests of ALNP are the responsibility of the government's Conservation Agency, but their capacity for taking action to address this problem is currently limited. This issue of concession mis-management exacerbated by weak National Park management capacity is the most serious current threat to the forests within the Park and addressing it is the project's first priority.

Table 1: Current Status of the Boundary of Aketajawe-Lolobata National Park. (Figures are estimates based on forestry department boundary maps)

Block	Total boundary (km)	Boundary already demarcated (km)	Boundary already demarcated (%)	Length of boundary bordering production forest (km)	Length of boundary bordering watershed forest (km)	Length of boundary bordering conversion forest (km)
Lolobata	270	158	58%	240	30	0
Aketajawe	150	0	0%	110	30	10
TOTAL NP	420	158	38%	350	60	10

As well as the logging described above, there are a number of specific local threats which have a small scale impact of forests and wildlife within the Park. These threats occur in 6 locations where settlements are close to the Park boundary (Maps in Annex 17). To the north-west and south-west of Aketajawe block are two groups each of four sub-villages which have grown along logging roads that lead towards the park. To the south-east and north-east are two transmigration settlements where land clearance and timber extraction is close to and may already have impinged on the National Park. Around Lolobata block, only two settlements are close to the park; one transmigration settlement where the failure of the concurrently established industrial timber plantation has led the community to seek to expand their agriculture, and an indigenous community which is the gateway for small scale artisanal gold mining along rivers in the south east of Lolobata. These specific local problems require tailored individual approaches, and the project will work with Park management to better understand the issue before facilitating agreements and implementing management interventions to minimize the impact on the Park.

The long term conservation of the National Park cannot be separated from the problem of forest loss outside the Park. Loss of forest cover will intensify pressure on the Park's own forest resources and increase the potential for conflict with local stakeholders. It will also further isolate the two blocks of the National Park which until recently have been joined by contiguous forest but now divided by a small road. The forests between the two blocks of the National Park were not included in the National Park because of a perceived conflict with logging and mining interests. The centre of Halmahera island is still 60% forested but lowland forest loss outside the Park boundaries is being caused by infrastructure development, licensed conversion of logged over forest to oil palm and timber plantations, and small scale agricultural expansion centered on the main coastal settlements and extending inland along roads. Mining is another potential source of forest loss and water pollution in specific areas. The forest is almost entirely designated as state forest land, either Watershed Protection Forest, Production Forest, or as Conversion Forest which can be converted for plantations and agricultural development - issues which are under the jurisdiction of local Government and in particular the Forestry Department and planning department. The project will work with the three Districts and Provincial planning department to minimize forest loss and its impact on the National Park.

The importance of the Aketajawe and Lolobata forests for biodiversity has been internationally recognized since the 1970s. A previous attempt to strengthen its management and better conserve its biodiversity - the World Bank/GEF Maluku Conservation and Natural Resource Management Project (MACONAR Project) - was never implemented because of the declining security situation in the region at the turn of the century. Civil conflict in several places in Maluku Province and North Maluku Province between 1999 and 2002 damaged the socio-cultural life of local communities and resulted in loss of assets and livelihoods, as well as destruction of public facilities. The condition of social, economic and political life in the Province of North Maluku is now normal and stable as indicated by the revocation of the status of civil emergency in the Province of North Maluku on 17 May 2003. The security situation will continue to be monitored by project and by senior BirdLife staff, and any changes discussed at the project's steering committee meetings.

The successful process of election of North Maluku's Governor by the House of People's Representatives of North Maluku Province, and post-conflict election of the District Heads and Mayors indicates that the functions of government administration and legislative bodies in the region are operating. Economic growth of the city of Ternate, capital of North Maluku province, was 5.75% in 2004, an increase on 2003 levels, and is evidence of an improved security situation and socioeconomic condition of the community after the conflict. Whilst some of the activities being implemented in North Maluku by the local government and NGOs are still in the form of post-conflict programs, more are now focused on general development. Most (around 80%) of the villages around Aketajawe-Lolobata National Park did not experience any damage when the riots took place. A BirdLife team visit in October 2004 to two of the villages that experienced some destruction at that time (Dodaga and Lolobata), found that the villages had been built again and the refugees have returned and recommenced farming and fishing.

With the security situation now stabilized, the establishment of the National Park and the principle of sustainable forest management as a basis for regional development have been endorsed by the District Governments, Province, and local mining industry. The project will capitalize on this positive policy environment to implement practical management solutions which can be implemented by local stakeholders, and which will form a model to be disseminated to other National Parks in Indonesia.

### **Project Objectives**

The proposed project's central development objective is "The enabling framework for collaborative management of protected areas in Indonesia is strengthened through promotion and replication of the Aketajawe-Lolobata project approach" and the global biodiversity goal that will be achieved during the 5 years of the project is "Globally significant biodiversity of Aketajawe Lolobata NP is conserved through an effective conservation management regime which has the active support of local stakeholders".

The project's primary aim is to secure the forests inside the National Park by stopping incursions from neighboring logging concessions and finding solutions to specific local management problems which are acceptable to the stakeholders involved. The project will facilitate agreements on National Park boundaries, access to resources and other issues, and co-operation between the national park management and other stakeholders (communities, private sector, local government). Endorsement and oversight of these agreements will come from a multi-stakeholder forum where all stakeholders are represented. At the same time the project will increase the capacity of the National Park management team to manage the Park successfully using this collaborative and consultative approach. The project will work with local government on spatial planning issues at district level to minimize forest loss and other threats which occur outside the Park and threaten the Parks long term conservation value. Finally, the project will work to raise public awareness and support for the park amongst decision makers and opinion leaders in North Maluku Province, and to disseminate the lessons from this project to other protected areas in Indonesia.

Important and innovative aspects of the project include:

- Facilitating formation of a multistakeholder forum to support management of the National Park with the function of information sharing, endorsement of plans and oversight of collaborative agreements
- Developing a model of constructive collaboration between the National Park and neighboring logging and mining concessions which supports National Park management
- Strengthening the enforcement of regulations in logging concessions bordering protected areas through a transparent agreement process
- Using participatory land use planning to identify conflicts where the park borders on community managed land and to achieve agreement on the boundary and zonation
- An explicit focus on integrating consideration of the National Park into regional planning decisions
- Leveraging long-term financial and practical support for the National Park from neighboring private sector industries (principally mining)

- Targeting awareness programs to involve and influence policy makers and stakeholders in conservation area management in North Maluku.
- A comprehensive monitoring, evaluation and dissemination program to facilitate adaptive learning in project implementation and sharing of project lessons to conservation practitioners elsewhere in Indonesia.

#### **Project Outcomes**

The project will achieve the following outcomes: (a) establish an adequate basis of biological and social information for the management of the National Park; (b) develop an effective management regime for ALNP including facilitating bi-lateral agreements between the National Park and neighboring communities and industries, rationalizing and re-marking the boundaries of the National Park, establishing a multistakeholder forum to provide oversight, and working with District Government to integrate spatial planning and National Park management; (c) ensure that the National Park management and other stakeholders have adequate capacity (resources, skills, information) to play an effective role; (d) a monitoring system supports effective lesson learning and evaluation; (e) information and lessons from the project shared with other relevant institutions Indonesia; (f) high levels of awareness and support amongst the public and decision makers in the three affected Districts and the main towns in North Maluku

The project will build on the experiences of BirdLife Indonesia and local project partners in Sangihe-Talaud (GEF-MSP), Sumba Island and Tanimbar, where Birdlife has been able to work successfully with local government and private sector partners to further conservation outcomes.

## **B - Country ownership**

### **1. COUNTRY ELIGIBILITY**

Indonesia ratified the Convention on Biological Diversity on 24 August 1994.

### **2. COUNTRY DRIVENNESS**

The new *Indonesian Biodiversity Strategy and Action Plan (IBSAP) 2003-2020* published by the National Agency for Development Planning as its vision:

"An Indonesian society which is concerned, empowered, independent, and intelligent in conserving and utilizing biodiversity in an optimum, fair and sustainable manner through responsible management with the ultimate purpose of enhancing its community welfare".

Under this it has set the following objectives:

- o to develop the quality of Indonesian individuals and society who are concerned with the conservation and sustainable use of biodiversity;
- o to strengthen resources for supporting the development of science, technology, and the application of local wisdom for the conservation and sustainable use of biodiversity;
- o to reduce and stop the rate of biodiversity degradation and extinction at the national, regional and local levels, along with rehabilitation and sustainable use efforts;
- o to empower institutional, policy and law enforcement arrangements at the national, regional and local as well as customary levels so as to be effective and conducive for the management of biodiversity on a synergic, responsible, accountable, fair, balanced and sustainable manner; and,
- o to achieve a fair balance of roles and interests of Indonesian society as well as to reduce conflict potentials among all relevant sectors in a conducive, synergic, responsible, accountable manner in the sustainable use and conservation of biodiversity.

The proposed project encapsulates this vision by taking an innovative and pilot approach to implementing a multi-stakeholder approach to protected area management, through fostering agreements between national park management, local government, communities and private sector supported by a transparent mechanism for implementation to secure a new national park of high biodiversity value.

In terms of site-based interventions, the *Indonesian Biodiversity Strategy and Action Plan 2003 - 2020* highlights that the province of North Maluku has some of the most important and least effectively protected biodiversity conservation sites in Indonesia. It particularly emphasizes the importance of the island of Halmahera, which is the largest island in Maluku and was the largest island in Indonesia without any protected area before the declaration of the Aketajawe-Lolobata National Park. Moreover, the recognition of the importance of Halmahera, and the Aketajawe and Lolobata Forest Blocks in particular, dates back to the Indonesian National Conservation Plan of 1981. In 1997, the report of the World Bank-funded *Review of the Protected Areas System in the Indo-Malayan Realm* reiterated this recommendation. The designation of the ALNP was an important contribution to the biological representativeness of the Indonesian PA system; changing the status of ALNP from a newly-created paper park to an effectively managed conservation area will ensure conservation of habitats and species not represented elsewhere in the system and contribute to the overall sustainability for Indonesia's rich biodiversity.

In addition, as a nation of islands, Indonesia has an interest in the CBD multi-year program of work on Island Biodiversity adopted at the seventh meeting of the Conferences of the Parties. The work program notes the high levels of endemism and threat in island taxa, and the fragility of the ecosystems on which they and human livelihoods depend. This project aims to facilitate implementation of this program of work, and will complement and benefit from experiences in BirdLife Indonesia's other interventions on islands in eastern Indonesia (Tanimbar, Sumba, Sangihe, Talaud) by providing an example of how the interdependence of livelihoods and environment on islands can be harnessed to create support for conservation and collaborative management.

## **C - PROGRAM AND POLICY CONFORMITY**

### **1. PROGRAM DESIGNATION AND CONFORMITY**

The project is consistent with the principles of GEF OP#3 - Forest Ecosystems, in affording proper protection and sustainable conservation to unique forest ecosystems of global significance and their threatened biodiversity through a building constituency of support amongst local stakeholders including creating management agreements and enabling coordination through a structured multi-stakeholder forum.

The project contributes primarily to GEF's strategic priority B SP1 (*Catalyzing Sustainability of Protected Areas*) by a) expanding and strengthening the PA network to include effective protection of habitats and species within a unique bioregion, until very recently not represented in the PA system and b) piloting new models of collaboration between NP management, local government and the private sector to ensure strong local ownership and support for the PA. This new approach to PA management is appropriate to the new era of decentralization in Indonesia and expected to provide lessons relevant to conservation managers and policy makers throughout Indonesia, thereby making a significant contribution to policy formulation at national level. The project will strengthen conservation in a biologically important island, with high endemism, through a suite of management interventions to be tested at the ALNP site. This site will also be used as a training node to demonstrate collaborative management responses to threats that are systemic throughout Indonesia's protected area system, and that are reinforced and perpetuated by lack of convincing examples of practical alternatives to the current management paradigm. In fact, while the project focuses on implementing activities in one protected area, it specifically includes a budget allocation for ensuring policy impact and replication of the model demonstrated by the project to other sites. By producing and disseminating lessons, especially on the multi-stakeholder process and collaboration with the private sector, including the powerful mining lobby, the project will contribute to overcoming these two obstacles and to broadening participation in, and support for, the protected areas network in Indonesia.

The project will support specific activities to work with local government on spatial plans to ensure that development planning takes into account a) the likely impact of ongoing and future developments on the two protected areas of the ALNP and the linking forest corridor and b) the impact of the national park on future development in the region e.g. importance for watershed protection to maintain water quality for the new town of Sofifi. This integration of national park and biodiversity concerns into wider development planning in a living landscape, will also contribute to the GEF's strategic priority B SP2 (*Mainstreaming Biodiversity in Production Landscapes and Sectors*).

The project contributes to many of the objectives and work programs of the Convention on Biological Diversity and 2010 targets, especially the work program on protected areas adopted at COP7, the work program on forests and the work program on island biodiversity expected to be adopted at COP8.

## 2. PROJECT DESIGN

### Biodiversity of Global Significance

North Maluku has an immense wealth of biodiversity, much of which is of global significance. Maluku is part of Wallacea, the land lying between the Sunda and Sahul continental shelves, a biological transition zone which derives its flora and fauna both from Asia and Australia. The Maluku archipelago is recognized as a distinct bioregion with unique habitat formations and island endemics not found elsewhere. North Maluku has 26 endemic species of birds (of which four are endemic genera), eleven endemic mammals, nine endemic amphibians and reptiles, and more than 100 endemic species of land-snail. Over 70% of these endemics are forest dependent. In addition, the region is recognized as a Biodiversity Hotspot and a Global 200 Ecoregion. The most extensive forest cover in the province is on the largest island, Halmahera, and the largest and most intact forest blocks on this island are the Aketajawe and Lolobata Forests in Central Halmahera. Aketajawe and Lolobata are two of 227 Important Bird Areas in Indonesia, and host at least 24 of the region's 26 endemic bird species. In addition, Halmahera Island has 8 globally threatened bird species (two of which are endangered, and six vulnerable, see Annex 1).

Variations in altitude and soil type have created a mosaic of 14 forest types on Halmahera. Data from bird surveys is complete enough to allow comparison of the conservation value of the major forest types based on species richness and the presence of threatened and endemic species. The most important forests for conservation are the lowland evergreen forests, with indications that this forest type on limestone and volcanic soils is slightly richer than that on Ultra basic and sandstone rocks. This difference was found to be particularly significant for some species, with the globally threatened White Cockatoo and Chattering Lory, and several restricted range species, rarer in forest on ultra basic soils. Above 700m montane there is a progressive decline in the number of species of endemic bird recorded, and no birds are montane specialists. A similar trend appears to apply to mammal species, although data is incomplete. Mangrove forests are significantly poorer in bird species, with only seven species recorded at higher densities, none of them endemic or threatened species.

Despite recognition of its high biodiversity value, Maluku has few designated protected areas, and even fewer effective ones. ALNP is widely recognized as the most important protected area in Maluku and because of its irreplaceability an important contribution to the overall coverage of the Indonesian PA system. As development expands in Maluku the need for more effective conservation efforts is paramount. The impact of development and habitat modification varies between forest types. BirdLife/PKA (1999)

estimates that although only 4.5% of lowland evergreen forests remain on Halmahera, at least 50% of other forest types are still thought to survive and montane forest is virtually untouched. The Aketajawe Lolobata National Park contains elements of all forest types on the island except mangrove and beach forest, including important remaining fragments of lowland evergreen forests which also extend into neighboring concessions. The Park contains representative samples of the geology of the island, including sandstone and ultra basic rocks in Aketajawe block, whilst Lolobata is on volcanic rocks with consequent differences in vegetation and fauna.

### **Problem Statement**

#### **c. Sectoral Issues**

Indonesia's wealth of terrestrial biodiversity overwhelmingly depends on forests for its survival. Indonesia's forest estate covers some 133 million hectares (71% of the land area of the country), of which 83 million hectares is actually forested. Forest loss and degradation is caused by unsustainable practices in the management of licensed logging concessions, licensed conversion of natural forest to plantation and agricultural land, and unlicensed cutting of forests for timber and to open new farmland. About two million hectares of forest are lost as a result each year.

The policy instruments underpinning management of forests include the Indonesian Forestry Act<sup>17</sup>, which vests control of the national forest estate in the central Government Forestry minister, and the Regional Autonomy Laws<sup>18</sup> which vest control of Natural Resources in the District level of Government. In National Parks, management is still clearly the responsibility of the Conservation Agency, which is a centrally managed unit independent of District and Provincial Government structures, and in some cases this creates operational challenges between the local and central Government representatives on the ground. The Forestry Department remains committed to conservation areas as the mainstay of its biodiversity conservation efforts (in 2004 nine new national parks totaling 1.3 million hectares were created in Indonesia) and has responded to the challenges of decentralization by becoming increasingly open to more collaborative approaches to management at field level. In Sumba, for example, the Forestry Department working with BirdLife Indonesia and local NGOs facilitated resolution of boundary conflicts resulting from the previous boundary marking process, and developed more participatory approaches to boundary demarcation.

Outside conservation areas the apparent conflict between the Forestry and Regional Autonomy laws has weakened the Forestry Department's position as the sole manager of the nation's forests, and has given rise to efforts to usurp authority and economic opportunities from the Department of Forestry by District Governments seeking to increase their own local income. In 2004 the Forestry Department tried to clarify and control some of the legal loopholes that were most frequently abused, including canceling the dispensation which allowed District Heads to issue logging licenses for areas of less than 100 ha, and reviewing local control of the auctioning of illegal timber seized in law enforcement operations.

If these problems of coordination and division of responsibilities and benefits between centre and regions can be successfully negotiated, decentralization offers the possibility of encouraging greater involvement, ownership and accountability of local governments than when all decisions were taken in Jakarta. Within the framework of decentralization, District Governments have the power to take independent initiatives in support of conservation. Examples to date include the declaration of Kapuas Hulu (West Kalimantan) as a conservation District, and local Wildlife Reserves created to protect Orang-utans in Berau, East Kalimantan. The decentralization of spatial planning to District levels has also created opportunities for communities and conservation organization to influence local planning, for example BirdLife Indonesia's work in Talaud and Tanimbar islands.

Outside the forestry sector but of relevance to the biodiversity conservation agenda is that Indonesia's remaining forest habitats are fragmented amongst thousands of islands, many of them small and with endemic species. The small area of habitats, high level of endemism, and interdependence of forests, water catchments and fringing reefs makes integrated and sensitive management especially important for small islands. North Maluku, with hundreds of islands, shrinking forests and unique biodiversity, exemplifies these challenges and is a priority for the development of innovative integrated approaches for small island ecosystem management. Halmahera, although the largest island in the North Maluku, shares these characteristics.

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<sup>17</sup> Law 41 of 1999

<sup>18</sup> Law 22 of 1999 and Law 32 of 2004

**d. Root Causes of Biodiversity Loss**

An initial analysis of the root causes which are leading to the loss and degradation of the forests of central Halmahera, has identified the following key issues that will remain unaddressed in the absence of the project:

**1. Commercial Logging Incursions into the National Park**

The principle threat to Aketajawe-Lolobata National Park comes from past and present mis-management of the logging concessions in production forests which almost entirely surround the two blocks of the National Park, in particular the incursion of commercial logging activities into the forests of the Park. The concessions are managed by private companies, but incursions have been possible because of weak supervision by the responsible forestry authorities.

Satellite images show logging trails extending from the neighboring concessions into the forests of both blocks of the national park. In Aketajawe block these incursions by commercial logging companies are believed to have stopped with the expiry of the logging concession, but in Lolobata Block, which shares 90% of its boundaries with two active logging concessions, the incursions are recent and may be ongoing. The District Government forestry department is responsible for monitoring and stopping these incursions, but is currently failing to supervise them adequately. This is caused by lack of information, motivated but unsupported human resources, and a political focus on boosting District incomes from royalties and taxes rather than effective planning and supervision. Problems of coordination have also arisen due to the transfer of responsibilities from the old Central Halmahera District to 3 new Districts, each with its own Forestry Department.

**2. Very limited existing National Park management capacity**

The issue of monitoring and enforcing good concession management has been given an additional dimension with the declaration of the National Park, because National Parks are managed by the central Government Conservation Agency, not the District Forestry Department. Monitoring and collecting evidence of incursions into the National Park by logging companies is now the responsibility of the Conservation Agency. This should result in more effective monitoring and action, because forest protection is the main task of the Agency and because they have no vested interest in the local income generated by logging operations. However in practice the Agency's lack of staff, minimal operational funding, and lack of access to information (e.g. satellite imagery) makes them incapable of carrying out this duty effectively in such a large and inaccessible area. At present the newly declared National Park falls under the management of the Tidore sub-section of the Agency. According to central Conservation Agency procedures, a National Park should be allocated a separate management team with supporting facilities, and the Conservation Agency has requested central Government budget for 2005 and 2006 in support of this process (Annex 26a). BirdLife Indonesia will lobby to ensure that the budget allocations in future years are adequate, and improving the capacity of existing staff and new ones as they are allocated is a key task of the project.

**3. Local threats to forest cover within the National Park**

At a handful of specific locations, mostly close to the borders of the park, forest degradation and direct exploitation of biodiversity (non-timber forest products, including trapping of birds) is the result of small-scale activities of local communities, transmigrants, or artisanal gold miners. These issues do not represent an immediate threat to the integrity of the National Park as a conservation area, although they may threaten specific elements of biodiversity, so there is an opportunity to work with the stakeholders concerned to find the most effective solution.

The locations where these local management issues are known to exist are:

- 2 villages, Hijrah and Akekolano, each consisting of 4 sub-villages close to the western border of the Aketajawe Block, where villagers are known to use old logging trails to extract timber.
- To the south-east of the Aketajawe section is a national transmigration settlement, Kobe Kulo, which has a population of over 1000 people originating from West Java and Lombok. The settlement was developed in conversion forest and directly borders the national park, and there have been reports of small scale timber extraction and farming inside the park boundaries. Another transmigration settlement, Pintatu, is located on the north east border of Aketajawe with a population of over 700 people from Java. In the same area the community in a local village has formed a farmers group who has obtained a small scale logging license and are extracting timber from the edges of the National Park.
- South of Lolobata the transmigration settlement Maratana Jaya was developed in conjunction with an industrial timber plantation in conversion forest. Failure of the timber plantation, linked to uncontrolled burning, and consequent agricultural expansion by the community all have the potential to affect forests inside the park.
- South-east of Lolobata the settlement of Miaf is an access point for illegal artisanal mining of gold along the course of rivers within the Park. The mining is causing local habitat loss, and bringing associated threats of mercury pollution and locally increased hunting pressure.

- Bird trapping and non-timber forest product collection is undertaken in a number of villages and by the small nomadic population of Forest Tobelo people. There is no evidence that these activities are unsustainable but information is scant and some simple monitoring is needed to clarify their significance.

Concession managers and the District Forestry departments also have a role in addressing local management problems because logging roads through the concessions are used to access the forests within the National Park, or because threats to the park are a result of the failure of concession management and Forestry Department to accommodate local community concerns. The establishment of the multistakeholder forum through this project will be a mechanism to encourage these groups to address their responsibilities.

#### **4. Potential threats from regional development and agricultural expansion outside the Park**

In addition to threats within the park, the forests outside the park are directly threatened by licensed and unlicensed logging, conversion to plantations as well as clearance for agriculture and development of roads and the new Provincial Capital at Sofifi. A time series of satellite imagery shows forest loss is still localized around population centers on the coast, but spreading inland and up-slope away from settlements and particularly along roads. Unchecked and unplanned, the continuing loss of forest outside the National Park will in future divide the Park into two isolated blocks, and result in increasing pressure directly on the Park for land, timber and forest products.

The degradation and loss of forests in logging concessions outside the National Park is a result of concession mis-management and weak supervision by the Forestry Department: logging operations within the concessions leave heavily damaged forest which is vulnerable to fire. Subsequently, logged over areas are not currently effectively protected against land clearance and timber extraction by local (unregulated) businesses, resulting in further degradation or complete loss of forest cover. Elsewhere in Indonesia such exhausted production forests are targets for conversion to timber plantation or oil palm, and although such a change of status requires the agreement of the Forestry Minister it has frequently been achieved where the forest is sufficiently degraded, as has already occurred around Miaf, in east Halmahera District.

There are two road development schemes planned in the area. The first involves improvements to a dirt road from the large transmigration settlement of Subaim on the north coast to Buli on the south coast of the peninsula. This road runs between the two blocks of the national park and has become a focus for access by farmers and chainsaw operators into the forests between the two blocks of the park. A second trans-peninsula road is planned from Lelilef, close to the transmigration settlement of Kobe Kulo, to Ekor on the north coast. This road will run close to the eastern border of Aketajawe and further fragment the forests surviving between the two blocks of the national park.

On the west coast of Halmahera, below Aketajawe block, the province of North Maluku is building its new capital, Sofifi. Whilst the formal plans acknowledge the importance of forest preservation for water supplies and land stability in the new city, experience in other areas is that town Councils find it difficult to control urban expansion.

Finally, mining provides vital income for District Governments in Halmahera, but also poses a local threat to forest cover if not planned and supervised appropriately. Commercial nickel mining is presently expected to cause limited forest loss outside the park in Central Halmahera District within the concession of work of Weda Bay Minerals. The company has expressed a commitment to fulfill its environmental responsibilities including managing access and exploitation in parts of its concession of work and the project aims to facilitate agreement which ensure that this potential threat becomes a net benefit for the Park (Annex 14).

#### **Baseline Scenario**

ALNP was declared a new national park in 2004 by the Forestry Minister, with the support of local government. In 2005, limited central Government budget was allocated to the National Park to start establishing an office, a provisional management plan, and to undertake field assessment in priority areas. Further development and basic operational costs have been requested for 2006 (Annex 26a)and it is expected that these allocations will be maintained or increased in subsequent years, and that eventually a full management team will be allocated to the Park. At the same time the pressures described above will continue to cause forest loss and degradation inside and outside the Park.

Based on an assessment of the current situation, and experience from National Parks elsewhere in Indonesia, it is predicted that in the absence of the planned intervention by BirdLife Indonesia the management of the national park will:

- be limited by low numbers of staff with inadequate facilities and equipment(the project will lobby to increase the central Government allocation and secure commitments already made by Weda Bay Mining, as well as pushing for regional Government and other private sector contributions)

- lack the biological or social information necessary for effective prioritization of management activities and planning (the project will work with the NP team to carry out surveys and studies, as well as building their capacity to analyze and use this information)
- Lack the skills and experience to facilitate and manage agreements with private sector and communities bordering the park (the project will provide specific training, opportunities for cross-visits, and on-the-job training in all of these aspects)

In addition if current problems remain unresolved, it is anticipated that regional development (roads, settlements, timber and oil palm plantations) will continue to be planned and executed without consideration of forest conservation issues. In the long term this will result in forest fragmentation outside the National Park, and the isolation of the two blocks of the Park. It will also result in loss of access to forest products by local people outside the Park, increasing pressure on the forests inside.

In summary, in the absence of the project the management of the National Park is likely to be poorly planned, to focus on 'fire fighting' conflicts with communities and concessionaires without resolving them, and to be unintegrated with regional development and planning issues which will decide the fate of the forests outside the park and thus ultimately impact on the conservation of the Park itself. If these pressures continue to operate in the long term it is predicted that the National Park will lose its global biodiversity value.

### **Alternative Scenario**

The overall development and global environment objectives of this project are to improve the management and sustainability of Halmahera's forest resources through strengthened protection and management of the ALNP. These objectives will be achieved over five years by: (a) stopping forest destruction caused by incursions into the national Park from surrounding concessions, (b) managing local conservation problems with the involvement of stakeholders and local communities; (c) building appropriate capacity within NP managers and also local Government and communities, to ensure the sustainability of the management arrangements; and (d) disseminating lessons learned and experience to other national parks and concerned stakeholders throughout Indonesia.

To achieve this, the project strategy is broken into six components:

Component A, **Defining the scope for management of the National Park**, will be implemented in the first year of the project and will generate information and analysis needed to plan, priorities and execute subsequent activities as well as baselines for monitoring. Satellite image analysis and ground visits to both communities and concessions will give an updated and detailed picture of the status of the Parks resources and the seriousness of current threats. Targeted studies will address the use of natural resources from the park by the Forest Tobelo ethnic group, and the potential impact of the Park on this group, and a biodiversity survey team will establish a baseline of relative abundance of key species, as well as an assessment of levels of trapping and trade in wildlife. The studies and surveys will be undertaken by experienced consultants, assisted by teams recruited from local communities or universities as appropriate. National Park management team staff will be involved throughout, both as formal representatives of the Park, and so that they learn from and can later follow-up on these initial surveys. At the beginning of the second year of the project the results of all the surveys will be brought together into an operational plan, which will form the basis for the working relationship between project and Park for the remainder of the project.

Component B, **Establishing a collaborative Management Regime**, will set-up the institutional arrangements needed to successfully manage the Park including influencing land use practices around it. Based on the surveys (component A) the project will facilitate bi-(or tri-) lateral agreements between Park and Concession Holder, or Park and community/resource user group, where appropriate with the involvement of local Government departments as a third party. For the private companies these agreements will commit them to respect the parks boundaries, protect their own concession from damage, and control access across their concession into the Park for illegal activities. The agreements represent an explicit public commitment to implement activities which are mostly already the legal responsibility of the company, but which have been ignored or contradicted in some cases. The agreement process therefore focuses on public commitment and transparency in implementation, monitored by the NP and the project and reported to the multi-stakeholder committee and relevant Government Departments. For the community agreements the process will be participatory and based on consensus and negotiation, following a model pioneered by BirdLife Indonesia around National Parks in Sumba Island. The main stages of the agreement process are: introduction and explanation of conservation objectives, participatory resource mapping and problem identification, process of discussion within the community to define their own position

and aspirations in respect of resource issues, negotiation with Government/NP, signing of the final agreement, and promotion.

The location and condition (marked or unmarked, disappeared) of the boundary of the National Park is expected to be an issue for many communities and concessionaires. The project and NP will work with the Forest Boundaries Agency to re-demarcate and where necessary rationalize the boundary. The technical and legal aspects of this work are funded by Gol budgets as part of the project cofinancing, whilst the project will play a role as facilitator and monitor to maximize the positive outcomes for biodiversity and minimizing conflict. Participation by project staff will ensure that where community land is involved the owners and users are fully aware of their rights, involved in the process, and that their views are adequately represented in the District Boundary Commission meetings which will make the final decision on the boundary. This 'Participatory Boundary demarcation' uses an approach that BirdLife Indonesia has successfully used to resolve conflicts and build consensus in Sumba.

Subsequently, the project and NP management will work to address the highest priority local management issues, involving resource user groups in planning, implementing and monitoring initiatives to make resource use more sustainable. Examples of potential initiatives are planting timber tree species to replace timber sourced from inside the park, intensifying rattan production on forest margins, addressing damage caused by artisanal gold mining, or finding alternatives to capture and trade in endangered species from the Park. Beneficiaries of these initiatives may be resource users in communities around the Park, Forest Tobelo, or migrant artisanal miners and loggers. The project will support planning and seed funding for these initiatives, and if they are successful small grants support will be leveraged from various government and other sources to expand the impact.

Finally, the project will work with local Government in the Districts around the National Park to reduce conflicts between spatial planning and land use outside the Park, and the Park's conservation objectives. This work will involve forming a multistakeholder forum as a medium in which to bring together Government, Park, communities and private sector interests to share information and experience, and to generate commitment to promoting integrate spatial planning and sustainable land use. The forum will be endorsed by the Governor and Forestry Minister, and will be given the duty of monitoring the collaborative agreements (above) and reporting to the relevant authorities on them. In parallel, the project will provide training and opportunities for study visits connected to spatial planning for relevant decision makers and technical staff of the District Government.

Component C, ***Building Capacity for Protected Areas Management***, aims to ensure sustainability so that by the end of the project the National Park management and other stakeholders have the human and financial resources they require to continue to play a role in the institutional arrangements (component B) established to support management of the Park. Whilst the project will provide training and some urgent and limited equipment directly, the main impact of this component will be achieved by working to leverage support from Gol (central, provincial and District) and from the private sector. In the case of the latter, Weda Bay Minerals have already made a substantial commitment to support Park management, and other companies will be encouraged to follow suit. University students, local survey team members, community members will all be trained in relevant skills for their roles under this component.

Component D, ***Monitoring and Evaluation to support Adaptive Park management***, will enable the progress and impact of the work outlined for component B and C to be measured, using indicators and baselines established under component A. The agreements between National Park and Concession holders, between National Park and communities, and the management initiatives piloted by the project, will be monitored closely and the results reported to the NP, project management, and the multi-stakeholder forum. Satellite image analysis will be repeated to allow monitoring of land use changes and forest condition inside the Park and in the surrounding Districts, as an input to spatial planners as well as park managers. In recognition of the suspected close association between the livelihoods of a small number of Forest Tobelo people and forest resources in central Halmahera, and of their special vulnerability because of their marginalized position in society, the project will specifically monitor for positive or negative impacts of the project, national park, and other land use changes on their livelihoods. Finally, the project will undertake routine monitoring of key wildlife trade issues, and repeat the baseline survey of wild biodiversity (Component A) in the final year.

Component E, ***Replication of the Project model to other sites***, will work 'horizontally' to share experience and information with others involved in managed Parks, and 'vertically' to ensure that the lessons from the project reach policy makers in the central Forestry Ministry in Jakarta. The project will identify protected areas in Indonesia which have similar management context as a priority for sharing lessons, and will facilitate communications and study visits between sites. Policy relevant lessons will be written up and fed into the central Government policy process, which BirdLife Indonesia already participates in, in order to develop technical guidelines. Finally, the project will work with the Government Forestry training schools

and the Conservation Training and Resource Centre to incorporate lessons from the project into training materials. An event will be run to promote the project's approach and lessons learned to the Indonesian Mining Association. Updates and new information from the project site and partner sites will be available to practitioners and policy makers through the BirdLife Indonesia website, INCL listserver, library and public response system.

Component F, *Raising awareness and public support*, will contribute to the commitment of local stakeholders to the project, and thus its sustainability, by creating public support for and 'ownership' of the Park and Halmahera's endemic wildlife. Based on an initial survey, the project will use mass media social marketing approaches which have proven successful in, for example, Sangihe-Talaud, as well as more focused approaches to specific target groups (for example University students of a relevant discipline, religious leaders). These more focused approaches will emphasize building capacity in terms of knowledge and communications skills, enabling the recipients to become advocates for the National Park within their own social groups.

Component G, *Project management*, will cover the setting up and running of the project facilities, staff team and administrative and financial systems required for running the project. Field office facilities will be established jointly with the National Park authorities. The field project staff will be supported by a project steering committee which includes senior staff from BirdLife Indonesia's head office in Bogor (co-financing for head office staff time and overheads from BirdLife Indonesia).

**Project Log frame**

Narrative Summary	Key Performance Indicators	Monitoring and Evaluation	Critical assumptions
1. Overall Development Objective:	1A	1B	1C (From Goal to Bank Mission)
The enabling framework for collaborative management of protected areas in Indonesia is strengthened through promotion and replication of the Aketajawe-Lolobata project approach	<p>Policy makers in the National Forestry Department issue technical guidelines for implementation of the law on Collaborative Management using the project lessons and examples supporting the implementation of the project's model in other National Parks</p> <p>At least 2 other protected areas in Indonesia plan to adopt the projects approach on the basis of lessons learned from Aketajawe-Lolobata</p>	<p>Official technical guidelines documents published</p> <p>List of suitable protected areas, visit reports/correspondence. Plans from target PAs</p>	
2. Global Environmental Goal:	2A Outcome/Impact Indicators	2B Project reports/Process involved	2C (From Objective to Goal)
Globally significant biodiversity of Aketajawe Lolobata NP is conserved through an effective conservation management regime which has the active support of local stakeholders	<p>Forest degradation and loss caused by commercial logging operations within the National Park is halted by the end of project.</p> <p>Management effectiveness tracking tool score for ALNP improves from baseline of 15 to at least 75 by the project's end.</p> <p>Stability or increase in the population of key endemic and globally threatened key species within ALNP</p>	<p>Comparison of satellite imagery and field survey of forest condition within the national park in year 1, 3 and 5</p> <p>Evaluation using management effectiveness tracking tool at the beginning, middle and end of project.</p> <p>Comparison of recorded numbers of key wildlife species during survey in Yr 1, 3 and 5</p>	Central Government continues to support collaborative management as an overall policy objective for protected areas
3. Project components and specific outcomes	3A Outcome indicators	3B Means of verification	3C (From Outcomes to Objective)
Component A. Defining the scope for management of ALNP  Outcome A: The project and ALNP	Information available on physical state of boundaries and habitats, current level of	Results of satellite image and ground surveys, rapid biological and social	

management have a clear understanding of the location, causes and extent of threats facing the national park and a shared plan (operational plan) for addressing the highest priority ones	exploitation, and perceptions and priorities of all key stakeholders, by end of yr 1  5-year operational plan document agreed between project and national park team by 1 <sup>st</sup> quarter Yr 2	surveys, analysis of legal maps of concession and forest reserve boundaries  Document formalized through exchange of letters between project and ALNP management	
Activities to achieve Outcome A		Targets for activities:	
<p>A.1 Analyze satellite imagery and official maps to produce baseline land use, forest status and administrative information</p> <p>A.2 Undertake rapid assessment of resource management and forest boundary issues in each village and concession area bordering the National Park</p> <p>A.3 Map and study resource use by the Forest Tobelo community group</p> <p>A.4 Establish a baseline on biodiversity in the NP and trade in key wildlife species from NP to point of exit from North Maluku</p> <p>A.5 Produce an operational plan for NP zonation and management with priority locations and targets for management interventions</p>		<p>Maps showing land use, forest condition, logging activity and legal boundaries for NP including all of East Halmahera District and relevant sub-districts of Central Halmahera and Tidore Municipality are available by the end of year 1</p> <p>Land use/resource map and analysis of priority natural resource management stakeholders and issues for each community that borders the NP by end Yr 1. Map and data on the state of the NP boundary and relationship to logging areas for each concession by end Yr 1.</p> <p>Maps of land and resource use by Forest Tobelo within the national park and assessment of future resource needs compared to availability and potential positive and negative impacts of NP management available by end of Year 1</p> <p>General species lists and relative density estimates for key species at 6 sites. Species in trade identified from hunter interviews and market surveys in Ternate and towns in central Halmahera, trade chain identified and trade volume at key stages estimated for key species made by end of year 1</p> <p>The results of A1, A2, A3 and A4 combined to produce detailed work plan to be implemented jointly by project and national park by 1<sup>st</sup> quarter Yr 2, as a basis for annual work plans, and developed as a long-term management plan for the NP by the end of Yr5</p>	
Component B. Establishing a collaborative management regime.  Outcome B: Stakeholder Groups and Institutions are actively involved in supporting management of the National Park	Agreements between ALNP and all key communities, concessions holders are signed by the end of year 2  ALNP Boundaries are fully demarcated on the ground by the end of year 3	Report on support from community organizations, local industries; NP annual report; report on implementation of bilateral management agreements; annual report of multi-stakeholder forum; project supervision reports.	No major, unanticipated new threats to the park arise during the lifetime of the project  The Forest Boundary Agency allocates funding for demarcation according to the intention expressed in Gol commitments to

Activities to achieve outcome B		the project (Annex 26a and 26b)	
B1. Secure agreements with concession holders on boundaries, controlling access and village development funding		Targets for activities:  Discrepancies on the boundaries between concession and NP maps, and the actual situation on the ground, are documented and resolved, and all concession owners bordering the NP agree to respect the boundaries, restrict illegal access, and support the NP through allocation of village Development Fund spending by the 18 <sup>th</sup> month	
B2. Facilitate agreements between NP, local government and communities directly bordering the national park on boundaries, access to resources, and support for NP management		Agreements with each neighboring community (6 agreements) on their rights and restrictions on resource use within the NP including identification of the need to rationalize the NP boundary signed by NP, community leaders and District rep by the 21 <sup>st</sup> month	
B3. Implement boundary demarcation process with involvement of all relevant stakeholders (Gol co-funding, project facilitated)		All NP boundaries marked (or remarked), from the baseline of 38% NP boundaries demarcated, by the relevant government agency with the involvement and support of local stakeholders for each section by end of Yr 3	
B4. Work with resource user groups on pilot initiatives to stabilize land clearance and extraction of forest resources		Action to address top 3 priority community resource management issues started by the 18 <sup>th</sup> month and completed with a plan for exit and sustainability by the 1 <sup>st</sup> quarter yr 5	
B5. Establish annual multistakeholder forum meetings to improve co-ordination and integration of NP management with spatial planning outside the NP		Forum with clear terms of reference and all relevant stakeholders as members approved by Governor and Forestry Minister by 18 <sup>th</sup> month, annual meetings 4 times during the project years 2-5 facilitate integration of regional development and conservation planning at District level	
B6. Evaluate effectiveness of the forum as a mechanism for collaboration and agree future strategy and funding		Evaluation report by the responsible authorities (NP and Provincial Government) is discussed by the forum and post-project strategy and funding plan agreed by the end of the 4 <sup>th</sup> year	
B7. Capacity building for local government to incorporate NP and sustainable management principles into district spatial planning		Training workshops and information sharing on legal and technical aspects of sustainable land use planning for 10 staff from 3 Districts and Province completed by end of Yr 4	
Component C. Building Capacity for Protected Areas Management  Outcome C: NP and other stakeholders have appropriate levels of skills and resources to carry out their role in the project	Agreed priority training and materials delivered  Commitments of at least 110 000 USD per year secured for post-project funding.	Needs assessment (information, skills, and resources) and report on capacity building activities; supervision reports; individual and multi-stakeholder forum reports.	Forestry department delivers on its commitment to long term support for the park including establishment of fully resourced management

		Written commitments for financial support	team during the project lifetime.
Activities to achieve outcome C:	<p>C1. Provide priority materials, equipment, information resources for NP management unit and monitor delivery of support by Government and private sector</p> <p>C2. organize on-the-job and specialist training and study-visit learning to strengthen the NP management team</p> <p>C3. Build stakeholders capacity for participatory monitoring of implementation of community-NP agreements and resource management initiatives</p> <p>C4. Training for student enumerators in awareness survey work (Activity F1)</p>	<p>Procurement and supply of basic field and survey equipment from the project by month 6, further installment of office and field equipment in year 2. Resource centre and GIS facilitates established by year 2. Lobby to central Government and private sector to allocate funds for equipment each year from year 1 - 3. Monitor and report on delivery against commitments in year 4 and 5.</p> <p>Initial capacity assessment by month 6, updated annually. 10 staff trained on the job by the end of year 1, 10 more by the end of year 3, 5 staff sent for specialist training by end of year 3, 10 staff have the opportunity to undertake study visits to other sites by end of year 3</p> <p>On the job training in facilitation skills and participatory approaches for at least 10 staff of NP and District Forestry Department during agreement process in year 1-2. Training of NP and FD staff and community members in monitoring relevant resources/forest condition and in analysis of monitoring data, starting in year 2 and linked to annual monitoring cycle in years 3,4 and 5</p> <p>Four team leaders trained in basic theory and principles of survey design, implementation and analysis by month 6, at least 2 teams of 6 enumerators trained in survey skills by month 9 ready for survey implementation (D1)</p>	
Component D. Monitoring and Evaluation to support adaptive management  Outcome D: Project, National Park management, local Governments and other multi-stakeholder forum members have information necessary to evaluate progress and impact of activities	All relevant stakeholders have access to baseline data and monitoring results for key social and environmental indicators	<p>Project report on baseline surveys and subsequent monitoring results distributed to all relevant stakeholders</p> <p>Annual budgeting and planning documents of NP, Forestry Department, Regional Development Agency, other relevant agencies</p>	Local government, business and NP management leaders committed to open sharing of information
Activities to achieve outcome D:	D1. Visits and information gathering to monitor implementation of agreements and activities of concessions around NP	Detailed information on implementation of NP - concession holder agreements is available to NP management and the Multistakeholder Forum in annual report.	

<p>D2. Monitor implementation of pilot management initiatives (Activity B4) jointly with user groups and other stakeholders</p> <p>D3. Satellite image and spatial planning analysis to monitor land use and forest cover change in NP and Districts</p> <p>D4. Monitor indicators of project impact on nomadic Forest Tobelo people (identified in Activity A3)</p> <p>D5. Monitor indicators of status of biodiversity in the wild and in trade (identified in Activity A4)</p>	<p>Annual monitoring of indicators for management initiatives with user groups for estimated 3 sites/issues produces data for NP management and Multistakeholder forum in annual report</p> <p>Dry and Wet season analysis (if necessary) of land use and forest cover repeated twice, in year 3 and year 5</p> <p>Data on key indicators of nomadic Forest Tobelo resources and livelihoods (identified in study, Component A) gathered and used to evaluate relationships between Forest Tobelo and NP Management summarized in annual reports in years 2-5</p> <p>Wild biodiversity baseline repeated in year 5. Data on volume of trade in key species (identified in component A) collected and summarized in annual reports in years 2-5</p>
<p>Component E. Replication of the project model to other sites</p> <p>Outcome E: Lessons and approaches from the project influence central Government policy and inform management of other National Parks in Indonesia</p>	<p>Project policy papers and notes on dialogue with policy makers showing link to achievement of defined policy objectives by end of project</p> <p>Project consulted on proposals to establish collaborative management processes and institutions in at least two other national parks by end of project.</p> <p>Project policy papers, minutes of discussions and presentations, formal policy statements by senior Ministry officials</p> <p>NP reports; supervision reports.</p>
<p>Activities to achieve outcome E:</p> <p>E1. Identify other NPs and other PAs with a similar management context (e.g. bordering logging concession, mining) and develop email networks and other mechanisms to share information</p> <p>E2. Support exchange learning visits from other conservation sites including BirdLife Indonesia Sumatra forest concession</p> <p>E3. Write up and disseminate policy-relevant lessons from the project for decision makers</p>	<p>Targets for Activities:</p> <p>Central Wildlife Agency data and consultation with NP managers during annual planning meetings to identify relevant sites by end of year 1. Email/postal network by end of year 2 and at least annual exchange of news and experience each year.</p> <p>Potential to visit the site promoted to NP managers and relevant NGOs during year 1 and 2. Minimum 15 learning visitors to the project hosted during years 2-5</p> <p>At least 4 policy papers describing the projects work and experience and linking it to specific policy issues (e.g. collaborative management agreements with communities, collaborative management agreements with logging companies), 2 in year 3 and 2 before the end of yr 5</p>

<p>E4. Produce practical guidelines on the project and lessons learned for conservation managers and decision makers</p> <p>E5. Work with Conservation Training Resource Centre and Department of Forestry Training Centre to incorporate project information into training curricula</p> <p>E6. Run an event to promote the projects approach and lessons to the Indonesian Mining Association</p> <p>E7. Updates and project information available through the BirdLife Indonesia website, library and public response service, and through the INCL listserver</p>	<p>At least 4 guidelines documents describing important features of the project approach produced, 2 by the end of year 3, two by the end of year 5</p> <p>Initial discussions on incorporating the projects approach and experience into training materials and curriculum in year 2. Complete development and testing of materials in year 3.</p> <p>Initial event to promote the projects approach for mining industry, mining Ministry and Forestry Ministry staff in Jakarta in Year 2, followed by experience sharing workshop for the industry in year 4</p> <p>Initial information on project location, objectives, partners available in written and electronic form and on the BirdLife Indonesia website by the end of year. Project public documents available in BirdLife library and downloadable from website by year 2, and updated at least annually in years 3-5.</p>
<p>Component F. Raising Awareness and Public Support</p> <p>Outcome F: There is understanding and support for the NP and its effective management amongst decision makers and key civil society organizations in North Maluku</p>	<p>NP and District Government annual plans and budgets are changed to accommodate priority issues in support of the NP</p> <p>Annual budget and work plan for District Forestry, planning, infrastructure, and agriculture Departments (as appropriate) compared to previous years</p> <p>Policy and spending decisions which are the major factor influencing land use and regional development are made at District Government level</p>
<p>Activities to achieve outcome F:</p> <p>F1. Carry out baseline attitude and awareness survey in North Maluku and repeat survey to evaluate change</p> <p>F2. Evaluate environmental services and goods from the NP to demonstrate the value of effective management to all stakeholders</p> <p>F3. Design, test and produce awareness materials (e.g. local language field guides, leaflets, posters, NP website)</p>	<p>Targets for activities:</p> <p>Baseline knowledge/attitude/action survey on forest conservation, wildlife and national parks covers a representative sample of at least 200 respondents in year 1 and is repeated in years 3 and 5</p> <p>Up to three short term consultancies on the value of environmental services from the NP (e.g. for water, NTFPs, wildlife tourism) produce technical reports and brief summaries by the end of year 2</p> <p>At least 5 types of mass awareness campaign materials designed based on survey findings, tested and printed in year 2, and in year 4 (after the first evaluation of the awareness program)</p>

F4. Promote the project and NP to public in central Halmahera and main towns in North Maluku (e.g. through newsletters, village notice boards, local radio)	All Government offices at provincial, district and sub-district level, all key NGOs working in the NP area, all mosques and churches, industries, political parties and schools receive copies of material for display by end of year 2. Selected key offices and public communications media receive bi-annual updates and additional material during years 3-5.
F5. Raise awareness and support for the NP in key civil society organizations in North Maluku	At least 5 North Maluku NGOs and social institutions incorporate project materials and messages into their own materials and activities by the end of year 4
Component G: Effective Project management systems established  Outcome: Project planning, budgeting, M and E and reporting is adaptive and implemented to a high standard	Project plans, budgets, reports are submitted on time, adjusted to incorporate the results of M and E and external factors, years 1-5
Activities to achieve outcome G:  G1. Staff and consultants recruited G2. Field office facilities established jointly with National Park G3. Workplans and budgets prepared G4. Project monitoring and reporting in place G5. Project steering committee established and meeting regularly G6. External project mid-term and evaluation and Project	Report documents, Aide memoire from Bank Reviews, external mid-term and final review reports  ③ Appropriately qualified staff and consultants available to project on time ③ Office established in Ternate or Sofifi, and a field office established near the Lolobata block. ③ 6 monthly submission to World Bank ③ Monitoring and evaluation report ③ At least annual meetings to review report and forthcoming annual workplan ③ External consultants recruited and reports received

## Detailed Project Activities

### Component A. Defining the scope for management of ALNP.

As described in the 'Alternative scenario', this component aims to generate information and analysis needed to plan, priorities and execute subsequent activities as well as baselines for monitoring. All the activities under this component will be implemented during year 1, except for producing the Operational Plan, which will be carried over of the first half of Year 2.

The main activities and sub-activities are:

A1	Analyze satellite imagery and official maps to produce baseline land use, forest status and administrative information	<ul style="list-style-type: none"> <li>- procure and analyze satellite imagery from 10 years ago and present to produce a preliminary analysis of land use and forest condition. Cloud free Lansat images are available for every year from 10 years ago. Images from 2004 can be combined to make a composite image due to hardware problems with the Lansat satellite. Aster is an alternative source and will be investigated.</li> <li>- undertake ground checking (jointly with activities A2-4)</li> <li>- produce and distribute thematic maps and analysis for decision makers</li> </ul>
A2	Undertake rapid assessment of resource management and forest boundary issues in each village and concession area bordering the National Park	<ul style="list-style-type: none"> <li>- select and training field team</li> <li>- rapid resource/boundary assessment in 6 settlements</li> <li>- visit to target localities in 3 concessions</li> <li>- wrap-up consultation and report production</li> </ul>
A3	Map and study resource use by the Forest Tobelo groups	<ul style="list-style-type: none"> <li>- literature review, plan study</li> <li>- field work mapping and researching</li> <li>- wrap-up and consultation with other stakeholders</li> <li>- report with recommendations and monitoring targets</li> </ul>
A4	Establish a baseline on biodiversity in the NP and trade in key wildlife species from NP to point of exit from North Maluku	<ul style="list-style-type: none"> <li>- recruit consultant, select and train field team</li> <li>- review literature and plan survey</li> <li>- undertake field biodiversity surveys</li> <li>- undertake village trapping and trade surveys</li> <li>- survey markets and points of export from Halmahera</li> </ul>
A5	Produce an operational plan for NP zonation and management with priority locations and targets for management interventions	<ul style="list-style-type: none"> <li>- NP-Project workshop to discuss conclusions of studies A1 - A4 and draft prioritized action plan</li> <li>- consultation workshop with other key stakeholders</li> <li>- finalize operational plan (Q1 yr2)</li> <li>- operational plan updated and revised as input to NP management plan (year 4-5)</li> </ul>

GEF funding amounts to 50% of the total cost of the activity. Co-funding will be provided by BirdLife Indonesia/BirdLife International (biodiversity survey) and Gol (production of operational plan).

### Component B. Establishing a collaborative management regime.

This component will build on the analysis and priorities identified in component A, to set-up the institutional arrangements needed to successfully manage the Park including influencing land use practices around it.

The model collaborative management arrangements to be developed by this project will consist of three integrated elements: bi-lateral agreements, follow-up initiatives, and creation of a multistakeholder forum.

i. **Bi-lateral agreements** will be between National Park and communities or concession holders bordering the park, signed with the approval and support of the local government. The main activities and sub-activities to achieve this are:

B1	Secure agreements with concession holders on boundaries, controlling access and village development funding	<ul style="list-style-type: none"> <li>- on site meeting to discuss the results of analysis of forest condition and management in the NP (Component A)</li> <li>- meetings at company headquarters (Ternate/Jakarta) to discuss agreements</li> <li>- public ceremony for signing and announcing agreements</li> </ul>
B2	Facilitate agreements between NP, local government and communities directly bordering the national park on boundaries, access to resources, and support for NP management	<ul style="list-style-type: none"> <li>- visit to follow up rapid assessment (Comp A) and agree process and timetable with community</li> <li>- select and train field team</li> <li>- facilitate mapping and analysis by community to produce 1<sup>st</sup> draft of agreement</li> <li>- facilitate negotiation between community, District Govt and NP</li> <li>- final joint meeting with all stakeholders to sign agreements</li> <li>- consultation and legal drafting to convert relevant parts of agreement to village bye-law</li> </ul>

ii. **Follow-up the agreements with implementation of priority management activities.** Boundary marking of state forest land follows a process laid out by law, in which the District Boundary Commission, chaired by the District Head, makes the final decision about any changes in the line of the boundary. The law requires public consultation and representation, and the project will use this opportunity (as BirdLife Indonesia has successfully done on Sumba) to ensure effective involvement of all community members who have an interest in the process. Experience from Sumba shows achieving community agreement on the boundary often requires the National Park to make commitments about community access to land and resources inside the Park, and therefore a parallel process of agreement by the national park management accompanies the boundary demarcation. Where resource management inside the park is believed to be unsustainable or present a conservation problem, the project will work with the community to develop solutions - improving management, finding alternative sources, or alternative livelihood options. GEF funds will support the analysis, planning and testing needed to develop these initiatives, but full scale implementation will be funded through small grants proposal developed by the community/user group with the support of the project.

Management issues which are not specific to a village or community, and for which it is therefore difficult to have a single agreement with an individual or group who represent the rest, will also be considered for facilitation of management initiatives by the project under activity B2. Issues in this category may include the trapping and trading of wildlife (which is often carried out by scattered individuals, and is more closely linked to external buyers than to other community members, making community agreements a weak way to tackle this issue), and subsistence farming and forest resource exploitation by the nomadic Forest Tobelo group (who do not have a social structure greater than family level, and are not tied to a particular village, making negotiation and agreement difficult to achieve and impossible to monitor or enforce). These issues are not necessarily priorities (the results of studies in Component A will help determine this), but if they do need management attention will require specific approaches to the resource users groups involved.

The activities and sub-activities to achieve these follow-up activities are:

B3	Implement boundary demarcation process with involvement of all relevant stakeholders (Gol co-funding, project facilitated)	<p>where the national park borders a community:</p> <ul style="list-style-type: none"> <li>- meet the community to ensure they understand their rights and the implications of the boundary marking process</li> <li>- facilitate the participation of the community in the temporary boundary marking process</li> <li>- support the community to review boundary marking and represent their views in the boundary commission meetings</li> <li>- ensure the demarcation of the final</li> </ul>
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		<p>boundary follows the Boundary Commission decision</p> <p>Where the national park borders a concession:</p> <ul style="list-style-type: none"> <li>- ensure the proposed boundary submitted to the boundary commission accords with the agreement made with the concessionaire</li> <li>- monitor implementation of the final boundary marking process</li> </ul>	
B4	Work with resource user groups on pilot initiatives to address land clearance and unsustainable extraction of forest resources	<p>Where initiatives are follow-up to a community - NP agreement:</p> <ul style="list-style-type: none"> <li>- identify stakeholders and agree timetable and process with the community</li> <li>- facilitate specific analysis of resource management problem and options</li> <li>- facilitate formation/strengthening of a resource user group (training in management necessary technical skills)</li> <li>- provide source of funding and inputs to trial alternative approaches</li> <li>- support proposal writing and fundraising to small grants agencies</li> <li>- monitor and support small grants project implementation</li> </ul> <p>Where initiatives address an issue which is outside existing community agreements/structures:</p> <ul style="list-style-type: none"> <li>- contact resource users (individually or by forming a group)</li> <li>- analyze the issues and define alternatives</li> <li>- test and implement alternatives</li> <li>- monitor progress and impact</li> </ul>	

**iii Reducing the impact of regional development on Forests** Finally, the project will work with District Government and private sector to influence the course of forest loss and fragmentation outside the national Park. Currently, about half of the forests between the two blocks of the National Park are classified as protection forest, and half are production forest. Given that incorporating these areas into the National Park was ruled out as too difficult politically (seen to restrict regional development options and conflict with mining interests), the issue is ensuring these areas are managed to maintain forest cover. This should not require any change in legal status of the forests, as unlicensed logging and forest clearance are not permitted in either protection or production forest. The project will address the issue of management of these forests through development of a multistakeholder forum and through awareness work (Component F).

The project's approach covers capacity building (particularly training and supplying information) for the District Government planning departments, and creation of a multistakeholder forum to strengthen co-ordination and political commitment to sustainable management. The forum members will be stakeholders in the national park - district Government departments, District legislatures, provincial departments, Park-edge community representatives, and the National Park management themselves. The forum will meet at least annually, and in between meetings members will receive feedback on relevant developments. The forum's purpose will be: to discuss the potential impact on the Park of planned regional development activities (such as roads, transmigration settlements, plantations) and obtain commitments from the relevant parties to minimize the risks; to discuss and give inputs to the National Park operational plan (this document nevertheless remains under the control of the project and park management); to receive reports on and monitor the progress of the bi-lateral agreements between National Park and communities/concessionaires and to ask for explanations from the relevant parties in the event of a dispute; to make an independent report to the Forestry Minister and Governor of North Maluku on sustainable land use and the conservation of the National Park.

The activities and sub-activities to implement this are:

B5	Establish annual multistakeholder forum meetings to improve co-ordination and integration of NP management with spatial	- consultation on multistakeholder forum concept at district, province and national levels
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	planning outside the NP	<ul style="list-style-type: none"> <li>- formal governors and Forestry Ministry letters establishing and endorsing the forum issued</li> <li>- promote forum existence and function back to local stakeholders</li> <li>- organize annual forum meetings</li> <li>- send relevant reports, document to forum members 2x per year between meetings</li> </ul>
B6	Evaluate effectiveness of the forum as a mechanism for collaboration and agree future strategy and funding	<ul style="list-style-type: none"> <li>- run meeting to gather opinions on forum performance and future role</li> <li>- produce costed strategy for forum and secure funding commitments from local Government, private sector</li> </ul>
B7	Capacity building for local government to incorporate NP and sustainable management principles into district spatial planning	<ul style="list-style-type: none"> <li>- needs assessment for spatial planning</li> <li>- 'sandwich' and on the job training for key staff</li> <li>- skills development courses for technical staff</li> <li>- organize study visits for staff</li> </ul>

GEF support will amount to about 30% of the cost of this component. Substantial co-funding will come from the Forestry Boundary Agency (BPKH) who hold the budgets for formal boundary demarcation. Co-funding will also come from Gol and private sector (e.g. for hosting multistakeholder forum meetings), and other donor sources through BirdLife Indonesia and directly to community groups (small grants for pilot resource management initiatives).

#### Component C: Building capacity for protected areas management.

This component focuses on building the capacity that will be needed to implement and sustain the institutional arrangements established to support the management of the Park in Component B. It focuses on the National Park management team itself, but includes capacity building for other key roles played by communities and local Government.

The project will work with the Park management team to undertake a capacity needs assessment and produce a prioritized plan for training and other skill development. This will be delivered by project staff and consultants directly through on-the-job training (for example, when involving the Park staff in biodiversity surveys, social surveys, facilitation of village agreements), by sending staff on specialist training courses off-site (for example at the Forestry Department's training centre in West Java, or the Conservation Training and Resource Centre) and by organizing learning visits for staff to other protected areas which are practicing elements of the approach to be implemented at Aketajawe-Lolobata (for example, the community agreement processes facilitated by BirdLife Indonesia and Park management on Sumba Island).

Alongside development of human resources, the project will provide basic office and field equipment essential for implementation of surveys and follow-up work. Through the multi-stakeholder forum, the project will work to secure support in kind from District and Provincial Governments, and private industry, for Park management operations. At the same time, through its MoU with the Department of Forestry and involvement in numerous meetings and policy discussions, BirdLife Indonesia will lobby for adequate allocation of budget and management support to Aketajawe-Lolobata.

The management initiatives to be implemented to address specific local management problems (Component B) will be supported through training for stakeholders in appropriate monitoring methods, including the skills to analyze and interpret results. Finally, the project expects to provide training for enumerators for the awareness survey, on survey methodologies and communications techniques.

Activities and sub-activities to achieve this will be:

C1	Provide priority materials, equipment, information resources for NP management unit and monitor delivery of support by Government and private sector	<ul style="list-style-type: none"> <li>- undertake training needs and equipment needs assessment to implement first years surveys</li> <li>- procure and deliver basic materials to NP team</li> <li>- revise needs assessment based on requirements for operational plan and produce longer term capacity building plan</li> </ul>
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		<ul style="list-style-type: none"> <li>- procure and deliver other priority equipment as agreed</li> <li>- work with local govt and private sector to secure in kind support and funding</li> <li>- lobby central Government to allocate adequate recurrent costs, staff and equipment to the NP</li> </ul>	
C2	organize on-the-job and specialist training and study-visit learning to strengthen the NP management team	<ul style="list-style-type: none"> <li>- plan and implement training related to task carried out by the project and NP management</li> <li>- send key individuals on training courses</li> <li>- organize study visits to relevant protected areas</li> <li>- evaluate and review training plan</li> <li>- identify capacity needs based on plans for management initiatives</li> <li>- deliver and evaluate training</li> <li>- review capacity needs after participatory monitoring started</li> <li>- organize training event</li> <li>- review training needs and organize further events as needed before repeat surveys</li> </ul>	
C3	Build stakeholders capacity for participatory monitoring of implementation of community-NP agreements and resource management initiatives		
C4	Training for student enumerators for awareness survey work (Component F1)		

GEF funding will cover 50% of this component and will support the procurement of essential materials and equipment, the leveraging of larger, sustainable funding from Government and private sector, and the building of capacity within the management team for implementing the project collaborative approach to management. Co-funding will come from Gof (salaries and resources for participating staff, leveraged additional funding) and private sector (leveraged funding and in-kind support).

#### Component D: Monitoring and evaluation to support adaptive management

Component D will enable the progress and impact of the work outlined for component B and C to be measured, using indicators and baselines established under component A. Monitoring work will focus on gathering the information needed for management response, for building political commitment and awareness, and for measuring the project's overall impact on forest condition and biodiversity.

Specific activities and sub-activities will be:

D1	Visits and information gathering to monitor implementation of agreements and activities of concessions around NP	<ul style="list-style-type: none"> <li>- analyze satellite imagery for evidence of further incursions into the NP from concessions</li> <li>- work with concession holder to develop systems for recording and reporting access to the NP through concessions</li> <li>- undertake targeted field checks of logging locations and intensity, and cross-check with forestry department records and license conditions</li> <li>- establish a network of local informants on logging company activity</li> <li>- produce report for NP management and multi-stakeholder forum</li> </ul>
D2	Monitor implementation of pilot management initiatives (B4) jointly with user groups and other stakeholders	<ul style="list-style-type: none"> <li>- work with stakeholders to define indicators of progress and success, and who monitors what</li> <li>- implement monitoring jointly with stakeholders</li> <li>- provide feedback and recommendations on monitoring results</li> <li>- undertake independent monitoring of overall conservation impact of initiatives if necessary</li> </ul>

		<ul style="list-style-type: none"> <li>- produce annual report for NP management and multi-stakeholder forum</li> </ul>
D3	Satellite image and spatial planning analysis to monitor land use and forest cover change in NP and Districts	<ul style="list-style-type: none"> <li>- carry out preliminary satellite image analysis</li> <li>- incorporate information from field surveys</li> <li>- where necessary, carry out limited ground truthing</li> <li>- compare with project baseline and produce data on changes in forest cover, status and other issues</li> <li>- produce annual report for managers and decision makers on changes in land use</li> </ul>
D4	Monitor indicators of project impact on nomadic Forest Tobelo people (identified in A3)	<ul style="list-style-type: none"> <li>- monitor indicators defined during the initial study (component A)</li> <li>- gather opportunistic information (e.g. from other surveys) on Forest Tobelo livelihoods</li> <li>- produce annual report on relationship between Forest Tobelo, National Park and project</li> </ul>
D5	Monitor indicators of status of biodiversity in the wild and in trade (identified in A4)	<ul style="list-style-type: none"> <li>- repeat surveys for key biodiversity species at the end of the project and compare with the baseline</li> <li>- carry out further studies to refine and enhance biodiversity monitoring by the project</li> <li>- monitor trade indicators as defined by the initial study</li> <li>- compile opportunistic information on trade (e.g. cases reported)</li> <li>- produce annual summary report on wildlife trade in central Halmahera</li> </ul>

GEF financing will cover 55% of the costs of this component and will support identification and establishment of a monitoring system which will enable more informed and transparent decision making, and building the capacity of users of monitoring information. Co-funding will be provided by private sector (contribution to management costs and facilities) and BirdLife Indonesia (biodiversity and trade surveys).

#### Component E: Replication of the project model to other sites.

This component will create opportunities for other protected areas managers and policy makers to exchange knowledge and experience with the National Park team at Aketajawe-Lolobata. Where appropriate it could also be used to enable exchanges between other key stakeholder groups, such as forest-edge communities or local Government officials. The issuing of the ministerial decision on Collaborative Management in 2005 created within the Forestry department the need for practical examples as a basis for writing the technical guidelines on implementation of the policy. The project will fulfill this need and thus make a direct contribution to improved policy implementation. The project will become a node for training in collaborative approaches to protected area management and will offer outreach activities to support protected areas managers elsewhere. In addition the project will promote the approach to relevant specialist groups such as the mining industry. This opportunity will be used to promote the bi-lateral agreements between Park and industry, whilst at the same time looking for possible opportunities to leverage further support from relevant private sector partners around those parks.

Specific activities and sub-activities will be:

E1	Identify other National Parks and Protected Areas with a similar management context (e.g. bordering logging concession, mining, unsustainable resource use by local communities) and develop email networks and other mechanisms to share information	<ul style="list-style-type: none"> <li>- identify potential National Parks from Forestry Department data and through the network on collaborative management</li> <li>- give a presentation and contact NP managers at annual conference/other relevant events</li> </ul>
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		<ul style="list-style-type: none"> <li>- establish email and written mechanism for sharing experience</li> </ul>
E2	Support exchange learning visits from other conservation sites including BirdLife Indonesia Sumatra forest concession	<ul style="list-style-type: none"> <li>- publicize the opportunity for learning visits to NP managers and NGOs supporting protected areas</li> <li>- identify priority candidates and their specific learning needs</li> <li>- organize visit</li> <li>- evaluate and report on visit</li> </ul>
E3	Write up and disseminate policy-relevant lessons from the project for decision makers	<ul style="list-style-type: none"> <li>- identify current policy issues (e.g., implementation of collaborative management law, participatory boundary marking)</li> <li>- compile relevant information from project records</li> <li>- undertake specific information gathering where relevant and necessary</li> <li>- draft policy papers</li> <li>- run consultative workshop to obtain inputs from policy makers</li> <li>- produce and disseminate final paper</li> </ul>
E4	Produce practical guidelines on the project and lessons learned for conservation managers and decision makers	<ul style="list-style-type: none"> <li>- identify common management themes and issues through discussion with other managers (Activity E1)</li> <li>- compile project information</li> <li>- undertake specific research as needed</li> <li>- produce draft guidelines document</li> <li>- review with site managers through workshop</li> <li>- produce and launch final version</li> </ul>
E5	Work with Conservation Training resource Centre and Department of Forestry Training Centre to incorporate project information into training curriculum	<ul style="list-style-type: none"> <li>- identify opportunities within the curriculum/training program to contribute lessons from the project</li> <li>- develop objectives, lesson plans and materials</li> <li>- trial and evaluate</li> <li>- produce final training session guide and materials</li> </ul>
E6	Run an event to promote the project's approach and lessons to the Indonesian Mining Association	<ul style="list-style-type: none"> <li>- arrange hosting by appropriate body (umbrella body or mining company)</li> <li>- use event to promote bi-lateral agreements of the project and look for possible opportunities to leverage further support from relevant private sector partners around those parks</li> <li>- lesson learnt for mining industries on conservation issues</li> <li>- run repeat event towards the end of the project geared to securing long term funding for implementation of the project approach at other sites</li> </ul>
E7	Updates and project information available through the BirdLife Indonesia website, library and public response service	<ul style="list-style-type: none"> <li>- establish electronic and hardcopy filing system and enter all project materials into internet searchable library catalogue</li> <li>- promote the availability of materials and provide service to copy materials in response to requests</li> <li>- post project updates and key documents as</li> </ul>

		downloads on the BirdLife Indonesia website
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GEF funding will cover about 55% of the cost of this component, with co-funding provided by Gol (involvement in the policy making process and contributions from the Forestry Training Centre) and private sector (facilities and support to Park running costs).

Component F. Raising awareness and public support; will contribute to the commitment of local stakeholders to the project, and thus its sustainability, by creating public support for and 'ownership' of the Park and Halmahera's endemic wildlife. Specific activities and sub-activities will be:

F1	Carry out baseline attitude and awareness survey in North Maluku and repeat survey to evaluate change	<ul style="list-style-type: none"> <li>- recruit team</li> <li>- design and test survey questions</li> <li>- develop sampling strategy</li> <li>- carry out baseline (Yr 1) and repeat surveys</li> <li>- analyze and report on results</li> </ul>
F2	Evaluate environmental services and goods from the National Park to demonstrate the value of effective management to all stakeholders	<ul style="list-style-type: none"> <li>- develop ToR for research subjects with the greatest potential</li> <li>- recruit consultants and implement study</li> <li>- wrap up consultation and report writing</li> <li>- produce popular version of report and disseminate through launch event, meetings, mass media</li> </ul>
F3	Design, test and produce awareness materials (e.g. local language field guide, posters, NP website)	<ul style="list-style-type: none"> <li>- based on survey results identify messages and media</li> <li>- produce and trial materials, evaluate trial results</li> <li>- produce final materials</li> </ul>
F4	Promote the project and NP to public in central Halmahera and main towns in North Maluku (e.g. through newsletters, village notice boards, local radio)	<ul style="list-style-type: none"> <li>- disseminate materials through mass media, posters, stickers etc at public events</li> <li>- monitor impact through repeat attitude/awareness surveys (F1)</li> </ul>
F5	Raise awareness and promote action to support the National Park by key civil society organizations in North Maluku	<ul style="list-style-type: none"> <li>- identify key opinion leaders and organizations in North Maluku</li> <li>- engage organizations in discussion on National Park and forest conservation</li> <li>- where received positively, follow up with further information and training in awareness campaigns</li> <li>- monitor the implementation of awareness raising activities implemented by these groups</li> </ul>

GEF funding is requested to support approximately 50% of this component. Co-funding is available from BirdLife Indonesia.

#### Component G. Effective Project management systems established

This component covers the setting up and running of the project facilities, staff team and administrative and financial systems required for running the project. The main activities are:

G1	Staff and consultants recruited	Advertise and select staff/consultants following WB procedures
G2	Field office facilities established jointly with National Park	Procure equipment and sign written agreement with NP on use of office

G3	Workplans and budgets prepared	Review progress and plan annual workplan and budget, 6 monthly submission to World Bank
G4	Project monitoring and reporting in place	Monitor and ensure evaluation reports received from consultants and fed back into management recommendations
G5	Project steering committee established and meeting regularly	At least annual meetings to review report and forthcoming annual workplan
G6	External project mid-term and evaluation and Project	External consultants recruited and reports received

GEF is requested to support approximately 66% of the costs of this component, with co-funding from BirdLife Indonesia.

### Incremental Cost Analysis

	<b>Baseline (B)</b>	<b>Alternative (A)</b>	<b>Increment (A-B)</b>
<b>Domestic Benefits</b>	Continued loss of wildlife due to forest loss and degradation, unsustainable hunting and illegal trade, and continued lack of capacity in ALNP management and resource use.	Strengthened framework and capacity for ALNP management and wildlife protection, and increased local participation in decision-making on resource-use questions.	Reduced pressure on wildlife and wild lands based on ensuring the sustainable development of local resources based on agreements over the exploitation of wildlife for sustainable use, and the conservation of global biodiversity for future generations.
<b>Global Environment Benefits</b>	Decreases in abundance of populations of rare and endemic wildlife, resulting in local extirpations and possible extinctions, and large-scale loss of critical forest habitat.	Globally-important biodiversity protected and conserved through mitigation of main threats and improved management, through demonstrating novel mechanisms to integrate local concerns and national and international priorities into resource management planning.	Conservation of wildlife resources through improved national park management contributes to improved conservation across the national park system, and to the survival of critically endangered and endemic flora and fauna.
<b>Component A: Defining the scope for management</b>	National Park management team has resources for administration and office management, and occasional patrolling and law enforcement operations. The team will lack the information to prioritize their minimal resources, or the skills to engage other stakeholders who could be their allies. From experience with other national parks, this will lead to reactive management, responding to visible cases of exploitation without addressing underlying issues. This approach will (a) leave many threats unchecked as they are not known or cannot be dealt with through law enforcement alone, and (b) create friction with local stakeholders and erode local support for the park, resulting in increasing difficulty in dealing with threats.  Gol \$84.000	Threats identified and understood through surveys and monitoring, enabling a strategic approach based on an understanding of causes, stakeholders and the urgency of the threat. Baselines established for wildlife, wildlife trade, resource management issues	US\$273,858 of which: GEF: \$178,348 Co-financing: \$95,510
<b>Component B: Establishing a collaborative management regime</b>	No management agreements or multi-stakeholder forum for consultation or discussion between national park management and stakeholders exists.	Bi-lateral agreements negotiated between NP and communities, concession holders, commit them to more sustainable use of their own land and to minimize access to the National Park.	US\$603,881 of which: GEF: \$ 169,773 Co-financing: \$ 434,108

	<b>Baseline (B)</b>	<b>Alternative (A)</b>	<b>Increment (A-B)</b>
	<p>38% of the boundary of the NP has been marked but not maintained; the rest remains unmarked. On the ground local stakeholders are not aware of or do not respect the boundaries of the national park.</p> <p>Local Government development planning, concession management planning of logging and mining industries, and national park planning remain uncoordinated resulting in negative 'spill over' effects from land use around the national park. Community interests in natural resource management are not considered in decision making.</p>	<p>All boundaries are agreed with concerned stakeholders, marked on the ground, and legally finalized. Stakeholders have the opportunity to input to the final boundary process and thus are aware of the line of the boundary. Final agreement on the line of the boundary is recognized by local level agreements with communities and concession holders.</p> <p>Local stakeholders and national park management meet in multistakeholder forum to coordinate and discuss plans to avoid conflicting land uses and consider the side-effects of development planning decisions.</p> <p>National Park team made more effective through collaborative relations with other stakeholders. Management implementation guided by a comprehensive operational plan based on local input and regular updates, leading to adaptive management and efficient use of limited resources</p>	
<b>Component C: Capacity Building</b>	<p>National Park team consists of five staff with minimal transport or field resources. Less than adequate levels of management and enforcement to protect NP. Investment in training is limited to occasional opportunities to participate in nationally run forestry department training courses. National park staff are ill-equipped and under-trained to do forest and wildlife protection duties, leading to the continued hemorrhage of biodiversity. Other stakeholders lack capacity to play a constructive role in the management of the park.</p>	<p>Priority equipment and facilities in place and Park management team able to operate efficiently. Information sources (e.g. GIS) enable targeted monitoring of threats. All staff enhance skills through on the job training, some also on specific courses in Java or on site learning visits. Capacity of other stakeholders to play their role in the Park management and related activities enhanced.</p>	<p>US\$283,742 of which:</p> <p style="text-align: right;">GEF: \$136,471 Co-financing: \$147,271</p>
	Gol \$2,500	\$606,381	
	Gol \$2,750	US\$286,492	

	<b>Baseline (B)</b>	<b>Alternative (A)</b>	<b>Increment (A-B)</b>
<b>Component D:</b> <b>Monitoring and Evaluation</b>	Monitoring is limited to occasional patrols and compilation of material from other sources, reported quarterly without any analytical link to management effectiveness. Park management is not able to detect new threats, or measure the success of its management strategies, making adaptive management impossible. Material available for education and advocacy publications is normative and out of date. There is no information to share with other National Parks and hence little lesson learning or exchange of information  Gol \$3,250	Park management has a simple, accessible and up to date information system to monitor key threats and trends in the National Park. Information is used for annual and long-term work planning. Stakeholders have key information of relevance to them. Information on decisions and progress in management of the National Park is publicly available. Awareness and advocacy programs use specific examples and up to date data and images. There is ample material to share with other National Parks to illustrate the approach taken by the Park.  \$236,496	US\$233,246 of which:  GEF: \$153,133 Co-financing: \$80,113
<b>Component E:</b> <b>Replication</b>	Progress and lessons from park management exchanged only at internal national forestry department workshops and meetings. Inputs are based on untargeted information and capacity and emphasize securing political support and budgets within the department. Lessons do not impact on national policy. No publications or field visits to or from other sites.  Gol \$1,500	Activities to promote replication targeted at National Parks with similar management context as well as general Forestry Department and NGO audiences. Materials are relevant to ongoing policy debates in the forestry sector. Impact of sharing information is enhanced by exchange visits and communications channels between Park managers involved.  \$277,788	US\$276,288 of which:  GEF: \$125,953 Co-financing: \$150,335
<b>Component F:</b> <b>Raising Awareness and Public Support</b>	Minimal awareness work undertaken by 1 or 2 'promotion' staff on the NP team. What is undertaken is normative 'one-way' awareness raising which is unlikely to have a significant impact on attitudes. Arguments are based only on biodiversity conservation reasons and lack information on economic value of the Park. Few people know about the Park, and important institutions in North Maluku do nothing to align their agendas with sustainable development and conservation.  Gol \$1,750	An effective baseline of attitudes and knowledge established as a basis for designing awareness messages and media that will have the maximum impact. Outreach is targeted at key institutions in North Maluku, and stimulates them to use their own resources and communications channels to promote the National Park. Data is available on the economic value of the environmental services of the Park as a tool for lobbying and education.  \$169,524	US\$167,774 of which:  GEF: \$115,961 Co-financing: \$51,813

	<b>Baseline (B)</b>	<b>Alternative (A)</b>	<b>Increment (A-B)</b>
<b>Component G: Effective Project Management Systems</b>	No project management takes place  Gol \$0	Project coordination office established jointly with National Park. Effective administration and financial systems set-up. Professional staff and assets management maximizes use of the projects resources. Monitoring and evaluation systems operate and results are incorporated into project plans.  \$246,761	US\$ 246,761 of which: GEF: \$ 120,315 Co-financing: \$126,446
<b>Total</b>	Gol \$95,750	\$2,181,300	US\$2,085,550 of which: GEF: \$ 999,954 Co-financing: \$1,085,596

3. SUSTAINABILITY (INCLUDING FINANCIAL SUSTAINABILITY)

A number of features of the project will help to ensure post-project sustainability of the management structures and systems which will be developed. The activity which poses the most severe threat to the Park, incursions by neighboring logging concession holders, will have been stopped, and any future attempts to resume such activities will be easier to detect and stop because of the baseline of maps and monitoring system established by the project including increased capacity for using Geographic Information Systems within the National Park management team. Political pressure for concessionaires to implement their agreements with the Park will have been generated and will be maintained through supervision by the multi-stakeholder forum.

The Park's agreements with communities will also contain clear and measurable indicators of success and rules which will be monitored jointly by community and Park management team, with greater transparency ensured through reporting and supervision by the multi-stakeholder forum. Once the agreements are being implemented the management of the Park will retain the option of withdrawing approval for community access to the Park. The sustainability of management agreements will be assessed by considering (a) if the agreement itself has been formally accepted and acknowledged by all relevant parties, (b) the degree to which the implementation of the agreement has become the responsibility of stakeholder institutions, and (c) the degree to which the implementation is funded/supported by local stakeholders.

Successful post-project implementation of these monitoring activities will rely heavily on the appropriate skills and attitudes within the Park management team, and appropriate supervision by their senior officers. Building this capacity during the 5 years of the project is an explicit focus of the project (component C) and will involve on the job training, with Park staff involved in every community facilitation and survey activity, specialist training courses outside Halmahera, and learning visits to appropriate sites and institutions.

To influence land use outside but related to the National park, the project will facilitate coordination between agencies over regional development planning and spatial planning through the multistakeholder forum, and build technical capacity within the District Governments planning agencies. The project expects to be able to influence major decisions about, for example, the location of transmigration settlements or the downgrading of production forest to conversion forest. However, continuing to consider the Park when taking such decisions after the project ends depends on the policies of District Governments and private sector. The project strategy is based on giving the best possible chance of sustainability by building a public constituency for the conservation of the National Park (raising awareness of the public in North Maluku in general, and specifically raising awareness of rights and responsibilities amongst forest-edge communities), creating a mechanism to make the necessary coordination as easy as possible (the multistakeholder forum).

The sustainability of the multistakeholder forum as a mechanism for coordination and supervision also represents a challenge. The continued existence of the forum after the project is not in doubt because it will be established by the Governor and Ministry of Forestry. However ensuring that the forum continues to be effective and to be viewed as such by all stakeholders will depend on the project being able to negotiate the creation of a forum that can deliver positive solutions for stakeholders often enough that it continues to be worth their while to participate. The evaluation process built into the projects activities is intended to support this.

**Leveraging sustainable financing for post-project Park Management**

The central Government works on annual budgeting basis and is therefore unable to give specific commitments for financing for the Park. However the support provided in the 2005 financial year, for establishing a Park office, promotion, and checking the status of the boundaries in key areas, is a clear indication that the Park is accorded priority within the Forestry Department, and the budget request for 2006 has been increased from 2005 levels (Annex 26a). The project has specific activities intended to leverage greater funding from central Government. Once a full management team is allocated to the Park by central Government (a specific objective of the project's advocacy) their basic running costs are very likely to be covered.

The project aims to leverage significant funding from the private sector in the area in support of the Park. In particular, Weda Bay Minerals has already made a commitment to long-term support for the park, a commitment that is conditional on starting full mining operations (expected within the lifetime of the project) and is then expected to last for at least 25 years. This commitment, in kind (provision of office space, facilities, resources) and financial support is worth at least US\$100 000 per year. Contributions from other major industries in the region will be sought, but receiving contributions from logging concession will be contingent on them improving their management practices, to avoid the Park becoming financially dependent on industries which it is in conflict with.

The following table outlines the estimated costs of sustaining the projects impact and potential sources of income to meet those costs:

Activity	Stakeholders Involved	Estimated annual cost (USD)	Source of revenue
Monitoring of logging concession activities	NP management, concessionaires, District Forestry Dept	5,000	Private sector, Department of Forestry
Monitor community agreements and other management issues	NP Management, NP boundary communities, specialist user groups	5,000	Private sector, Department of Forestry
Routine boundary monitoring and maintenance work	National park Management assisted by neighboring land managers	5,000	Private sector, Department of Forestry
Run the National Park management system and implement National Park management activities	National Park management Team, stakeholders in individual management agreements	75,000	Department of Forestry, Private Sector, stakeholders in management agreements
Continue to monitor and evaluate management performance and overall conservation impact.	National Park Management Team, other stakeholders (e.g. NGOs, Universities)	4,000	Department of Forestry, private sector
Continue to integrate national park planning and district spatial panning in future revisions through the multi-stakeholder forum	District Government, National Park Management Team, major community and private sector land managers	10,500	Department of Forestry, private sector
Continue awareness activities to promote support for the national park	District Government, National Park Management Team, NGOs, education institutions	10,000	Department of Forestry, private sector

#### 4. REPLICABILITY

The issues which are addressed by this project - of controlling the activities of neighboring concessions, negotiating with local communities, and integrating protected area management into District Spatial planning - are found in the majority of protected areas in Indonesia. The project design explicitly incorporates activities to disseminate information on the approach and the lessons from the project to protected area managers and policy makers throughout Indonesia, and intends to make a significant contribution to policy formulation at national level. These activities are supported by the integrated M and E system which has as a specific objective the identification and documentation of lessons and experience. To ensure the work with protected area managers has the maximum impact the project will identify protected areas where the problems faced are similar to those addressed by this project. Information to do this is available from the Forestry Department and members of the NGO-Government partnership which is working for collaborative management of protected areas in Indonesia.

The project will raise awareness of its work and approach amongst Forestry Department decision makers and protected area managers (reached through their annual meeting, the Forestry Department in-house magazines "Majalah Kehutanan" and "Konservasi Alam", and through development of additional official technical guidelines for the management of protected areas, "Petunjuk Teknis" and "Petunjuk Pelaksanaan"). In addition, Government and non-Governmental institutions that support protected area management, national and international NGOs as well as donors, will receive information on the project's approach and results through email discussion groups, reports and fact sheets. The project will target the Forestry Department's Biodiversity Information Centre and Training Unit and the NGO-Government Conservation training Resource Centre for collaborative work to develop materials based on the project for the Forestry curriculum.

The project will invite staff from protected areas facing similar management problems and to participate in more intensive exchanges of ideas and information, including study visits to Halmahera and sharing reports, newsletters and through an email group.

To achieve policy impact the project will build on BirdLife Indonesia's existing link into policy dialogue within the Ministry of Forestry (BirdLife Indonesia is part of working groups formed to discuss Collaborative Management and revision of the conservation laws by the Ministry, and has also successfully promoted policy amendments based on field site experience from its long standing project on Sumba Island). The basis of BirdLife Indonesia's intervention will be 'lesson learned' documents synthesizing experience from the project and framing it in the context of current forest policy debates.

Whilst the Forestry Department, at operational and policy levels, is the primary target of work to ensure replication of the project approach, the Mining Industry also plays a vital role because it is a sector which is (a) often close to areas of conservation interest, and (b) in a position to financially support conservation initiatives. The industry is organized (there is a representative institution in Jakarta) and therefore easy to inform about the project. The project will work with a prominent mining company which has committed to support the National Park, Weda Bay Minerals, to promote the role that the industry could play at other NPs.

Requests for further information on the project by any of the target stakeholders and the general public will be handled by BirdLife Indonesia's public response centre, using information stored and updated regularly by the organization's knowledge centre. All public documents and summaries of progress and lessons learned will be available on BirdLife Indonesia's website.

## 5. STAKEHOLDER INVOLVEMENT

### Stakeholder involvement in project planning

The process of stakeholder consultation concerned with development of this proposal is in two parts:

- *Consultation about conservation of forests in central Halmahera and the proposal for the National Park.* The declaration of Aketajawe-Lolobata National Park in October 2004 comes after an interrupted process of research and consultation spanning nine years. The creation of the park was based on the written support of the District Heads of the three Districts involved, and the Governor of the province. Extensive consultation with local NGOs, private sector stakeholders, local communities and NGOs working on community development issues in the region was also undertaken.
- *Consultation on aspirations and commitment of stakeholders to conservation management in connection with the objectives of this proposal, after the Park was declared.* The project itself was developed in response to requests from the local governments and NGOs that they be included in the establishment of national park management, and is based on discussions and planning sessions with the regional (Amboin-based) Natural Resource Conservation Department Office, as well as with neighboring private sector interests, government departments, and community representatives.

### Stakeholder roles and responsibilities in the project

- *Local communities bordering the national park.* Approximately 9000 people in three traditional villages (comprised of 9 sub villages) and three transmigration settlements are close to the borders of the national park. The relationship between these villages and the park and other stakeholders will be negotiated through Village Conservation Agreements. The agreement process starts with participatory rural appraisal based techniques to investigate natural resource use and institutions in the community. Participation of all sections of the community will be encouraged, to ensure that the process is representative and accepted by all. Initial agreement at village level is followed up by facilitation of three-way negotiation between community, national park management, and local government. The agreement records the final common position on the accommodation of community aspirations into national park planning, and the commitment of the community to enforce the agreement and support the national park. It includes specific activities to address unsustainable use of forest resources, and agricultural encroachment. In addition these communities will then be expected to choose a representative who will participate in the multi-stakeholder forum and discuss broader land use planning and policy issues.
- *Private sector.* The Lolobata section of the National Park is bordered by two logging companies, PT. Nusa Padma and PT. Tunggal Agathis Indah Wood Industries (TAIWI); whilst the forests between the two blocks, and bordering the Aketajawe section, are included in the concessions afforded two mining companies, PT.Aneka Tambang and PT. Weda Bay Minerals. Where their concessions are directly bordering the national park, these companies are expected to ensure that their own activities do not impact on the park ecosystem, and to prevent the use of their roads and trails by others to access the resources of the park. Data and information from these companies will be important for monitoring and taking action against illegal exploitation. In addition to these actions, which are part of their

responsibilities as concession holders, the logging companies are expected to participate in three-way discussions and where appropriate sign management agreements with local Government and the National Park about land use in their concessions after logging. These discussions will ensure that land use planning considers conservation planning (avoiding isolation of national park), community needs, as well as regional development priorities. In addition, the project will work to ensure that these companies participate fully in the multi-stakeholder forum, and that they contribute to attendance and the long term sustainability of the forum.

- *The Provincial Government of North Maluku and District Governments of Central and East Halmahera District and Tidore Kepulauan Municipality.* The project will work with the related departments of the executive (forestry, planning, environmental control, mining, agriculture, transmigration, plantations, and community development) to engage them in the project and to ensure that their planning and budgeting does not conflict with plans for the conservation of the national park. Key departments are expected to approve management agreements, and to participate in the multi-stakeholder Forum as well as contributing directly in terms of funds or time to the process of the forum. The district governments will officially endorse the creation of the multi-stakeholder forum and the management agreements which will be facilitated by the project. The technical departments and law enforcement agencies will also play a role in ensuring that these agreements are implemented.
- *The Provincial Natural Resources Conservation Department/National Park Management Team.* This team has the legal authority for the management of the national park and will be a key partner of the project in implementation. The national park team will provide staff to accompany rapid assessments at the beginning of the project, and to support the implementation of management agreements with other stakeholders. The team is expected to participate fully in the multi-stakeholder Forum, using it as a sounding-board to test opinion, a mechanism to resolve disputes, and a vehicle to build the commitment of other stakeholders

## 6. MONITORING AND EVALUATION

This section focuses on monitoring and evaluation in the context of the management of the project, in particular measurement of the indicators specified in the logical framework. The data used to monitor and evaluate the indicators of success of the project are overlapping with, but not exactly the same as, the data needed for National Park management monitoring. Project monitoring will focus on issues of efficiency of use of project funds and staff, achievement of intermediate deadlines, as well as impact. Project monitoring will include monitoring of indicators connected to replication and policy impact, which are not relevant to adaptive management of the ALNP. Project monitoring will be the basis of accountability to donors and other stakeholders, whereas national park management monitoring will focus more on issues of practical concern. For efficiency and practicality these two programs of monitoring will be integrated.

### **Monitoring Strategy**

Project monitoring will feed into annual evaluation of the status of indicators compared with the baseline situation. Baselines will be established during the first year of the project, and at the same time indicators will be reviewed to ensure that the monitoring generates relevant data to guide management. At the end of the first year a revised project monitoring plan will be produced incorporating information from the baseline surveys and laying out the plan for monitoring henceforth. Without pre-empting the results of that review and plan, the following general principles will apply to project monitoring:

- Biodiversity and threat monitoring will be conducted at the landscape, site and species level. Landscape level (i.e. the National Park and the Districts in which it exists) will be monitored through satellite image analysis strengthened by data from ground surveys. Landscape level monitoring will focus on broad changes in vegetation, particularly forest cover, and particularly the impact of major developments such as roads and mining operations. Site level monitoring will generate data on the National Park and neighboring logging concessions and villages, and will focus on areas identified as especially vulnerable (e.g. where logging companies are active, where there is artisanal mining, logging or other exploitation). The monitoring will gather data on both the impact (e.g. area and intensity of forest disturbance, stock of forest products, species) and processes (e.g. volume and value of exploitation, number of people involved). Species level monitoring will focus on key endangered, charismatic or economically important species which are indicators of the overall conservation value of the site and key to arguments for its conservation.
- The effectiveness of management of the National Park will be subject to monitoring using the Management Effectiveness tracking tool. Initial assessments have already been done (see Annex 23) and will be repeated at the beginning of the project to provide a baseline.

- Monitoring of the impact of capacity-building components of the project will include pre-and post-testing of skills transfer. Evaluation will be non-formal but standardized. Attendance and participation levels will also be monitored.

- For management initiatives implemented as follow-up to Community-National Park agreements indicators and monitoring protocols will be defined during the planning process for each initiative. Monitoring will be undertaken jointly, with budget allocated to build local stakeholders' capacity to do this. Each year the results of monitoring community projects will be compiled into the project's annual report.

- All monitoring activities will fulfill the multiple purposes of generating data to measure management performance, building capacity to monitor, and generating 'stories' and information for awareness and publicity work. Capacity to monitor will be built by involving the relevant stakeholders in the planning, execution and analysis of monitoring, including giving training where necessary. The management of data resulting from the monitoring will be part of an integrated hardcopy and electronic filing system based at the National Park HQ, enabling data from monitoring activities to be accessed for development of public awareness and advocacy materials.

#### **Organizational aspects of monitoring**

The data to be gathered and the timetable for monitoring will be defined in a monitoring plan to be developed at the start of the project, and revised at the end of year one based on the baselines established and indicators identified. The monitoring plan will be approved by the project steering committee. With the plan as a guide, the project manager will be responsible for timely monitoring of the project, including ensuring that staff involved in each component allocate resources and time for monitoring. The project field administrator will maintain records of expenditure per activity on the project. This 'first line' of monitoring will be backed up by the specialist inputs of BirdLife Bogor staff and short term consultants.

Results of monitoring will one of the main inputs into the projects reports, which will be circulated to donors and the Government. The project field team will compile these reports, for final editing in Bogor. A summary of the monitoring data will be presented in each project report, and the annual report will review the status and appropriateness of each indicator. Financial information from the project field office will be analyzed and linked to activity information by BirdLife Indonesia headquarters staff in Bogor. The baselines, monitoring data and other information will be the basis for project evaluations at the mid-term of the project and in the last year (see below).

Information gathered during monitoring will be stored in a simple indexed filing system which allows storage and retrieval per component, per activity or across components by theme. This system will facilitate report preparation, but also make accessing information easy for lesson learning, and developing education and advocacy materials.

#### **Resources for monitoring**

##### **1. Baselines**

In the first year of the project, specialists will undertake studies and surveys to develop of baselines for land use, social issues, exploitation, and key species. These constitute the main activities under component A of the project and significant funding has been allocated for consultants and survey costs:

Position/activity	Staff allocation (cost USD x man months in year 1)	Cost USD (allocation in year 1)
Biodiversity Analyst	1,150 x 9 months	10 350
Biodiversity survey field costs		7 150
Remote sensing and image processing consultant	1,700 x 1 month	1 700
Acquiring images and map production		6 050

Facilitator (community participation)	880 x 6 months	5 250
Protected area management consultant	1 700 x 1 month	1 700
Survey of resource mgt and boundaries issues between communities, concession holders and national park: field costs		17 250
Anthropology consultant	2,850 x 3 months	8 550
Field costs for anthropology study		9 150
Field assistant/enumerator/surveyor	360 x 24 months	8 650
Total for establishing baseline and identifying indicators, including capacity building and communication of results:		75 800

## 2. Monitoring, years 2-5

During years 2 - 5 of the project, there are allocations of time and resources for continuing monitoring. These resources are allocated under component D, Monitoring and Evaluation to support adaptive management, and component F (specifically for awareness). The monitoring undertaken under these activities will provide information for National Park management and for project management. Please note there is no specific allocation of staff/consultant time in the breakdown below because it is combined with project implementation.

Position/activity	Staff allocation (cost USD x man months in year 2-5)	Cost USD (allocation in year 2-5)
Specific evaluation of multi-stakeholder forum		2 250
Monitor performance of agreements on concession management		5 150
Monitor implementation of pilot management agreements		9 100
Landscape level analysis of land use and vegetation change over the NP and surrounding districts		4 800
Monitor indicators of project impact on Forest Tobelo livelihoods		3 100
Monitor indicators of biodiversity		15850

in wild and in trade		
Survey of public attitude/knowledge/ behaviour to establish baseline for awareness work and later to measure its impact		8 850
TOTAL for project monitoring, years 2-5		45 950

#### Project evaluations

Evaluation involves a rigorous process of comparing actual progress, achievements and impact with original plans, as well as considering the broader political and social context in which the project works. The evaluation process will enable project management to adjust the project strategy, support the lesson learning process which is the basis for replication of the project approach, and will produce recommendations to maximize the sustainability of the project's impact. Internal evaluations will be carried out annually as part of the project planning and reporting cycle. They will be based on the milestones for each activity which are noted in the logical framework, and which will be revised following the annual evaluations. External evaluations will be carried out in Years 3 and 5.

#### Resources for evaluation

Although the monitoring described above will be one important input for evaluation of the project, resources are allocated specifically for the annual internal planning-evaluation cycle, and the external mid-term and final evaluations, from component G of the project plan.

Position/activity	Allocation (cost USD x man months in year 2-5)	Cost USD (allocation in year 2-5)
Monitoring and evaluation consultants	2 500 x 10 months	25 000
Project monitoring systems operational		5 000
External evaluation implemented		7 350
Total for evaluation :		37 350

#### Performance indicators and monitoring data

Data to be gathered to measure the status/achievement of each indicator or target is described below. This plan is preliminary and will be revised at the beginning of the project, and after the end of year 1.

##### 1. Performance indicators for the overall development goal

Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
Policy makers in the National Forestry Department issue technical guidelines for implementation of the law on Collaborative Management using the project lessons and examples supporting the	- Consultation documents and drafts from Forestry Dept (intermediate target) - Minutes of consultation meetings held between FD and BirdLife Indonesia (intermediate target)	- maintain contact with relevant officials in Forestry Department (minimal monthly contact) - centralized filing system for all documents sent out by Forestry Department, minutes of	- routine contact with the Forestry Department in Jakarta is the job of the project manager and Conservation Programs Director in Bogor (part of management support Bogor) - engagement with FD

implementation of the project's model in other National Parks	- Final official technical document	meetings, and for final document	for policy influence is linked to activity E3
At least 2 other protected areas in Indonesia plan to adopt the project's approach on the basis of lessons learned from Aketajawe-Lolobata	<ul style="list-style-type: none"> <li>- list of protected areas with similar management context (intermediate target)</li> <li>- correspondence and trip report from PA managers study visits to ALNP (intermediate target)</li> <li>- management plans/workplans/reports from NPs which have implemented project approach (final target)</li> </ul>	<ul style="list-style-type: none"> <li>- list, filed at BirdLife Indonesia Bogor office</li> <li>- filed correspondence and trip reports</li> <li>- collate and file copies of management plans/other supporting documents from NP whose managers attend study visits to ALNP</li> </ul>	<p>List is output from activity E1. Correspondence and trip reports are outputs of activity E2.</p> <p>Collation of management plans and other documentary evidence of implementation is a specific task that will be implemented by the BirdLife Indonesia knowledge centre in Bogor.</p>

## 2. Performance indicators for the global environmental goal

Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
Forest degradation and loss caused by commercial logging operations within the National Park is halted by the end of project	Comparison of satellite imagery and field survey of forest condition within the national park in year 1, 3 and 5	Procure and analyze (consultancy contract) satellite image, prepare land use/forest cover map. Brief field teams doing concession and community surveys on ground truthing including use of GPS. Collate and cross-check analysis against ground check data.	Initial baseline will be established as part of activity A1, and subsequent analysis is under activity D3. Ground truthing will be undertaken by field teams implementing activities A2, A4, with contributions from studies undertaken under A3. Ground truthing repeat analysis will also be supported by activities D1, D2, D4 and D5.
NP management effectiveness tracking tool score improves from baseline of 15 to at least 75 by the project's end.	Evaluation using management effectiveness tracking tool at the beginning, middle and end of project.	Sources of information in management effectiveness tracking tool are the National park management team (annual budget, staffing, activities, policies), and the results of annual project monitoring of work with communities and concessions (monitoring component C). Compiling this information 3 times during the project will be task of the project leader.	Collection of baseline information from the NP management will be part of the capacity needs assessment (C1 and C2)
Stability or increase in the population of key endemic and globally threatened key species within the National Park	Comparison of recorded numbers of key wildlife species during survey in Yr 1, 3 and 5. Provisional list of key species in	Representative surveys carried out in (provisionally) 6 sites, 3 times, and analysis to compare the results.	Establishment of the baseline is part of activity A4, repeated monitoring is part of the activity D5.

Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
	annex 1 amended during baseline study (A4)	Planned and implemented by the Biodiversity survey consultant with local team support.	

### 3. Performance indicators for project outcomes

	Performance indicator	Data/information required	Activities to collect data/info	Link to project activities
A	Information available on physical state of boundaries and habitats, current level of exploitation, and perceptions and priorities of all key stakeholders, by end of yr 1	Results of satellite image and ground surveys, rapid biological and social surveys, analysis of legal maps of concession and forest reserve boundaries.	Collate and file information - task of the GIS consultant with the project manager	Satellite analysis and field surveys are part of component A. Analysis of maps and boundaries is part of activity A1 as well as a first activity in B1
A	5-year operational plan document agreed between project and national park team by 1 <sup>st</sup> quarter Yr 2	Document formalized through exchange of letters between project and national park management	- Physical document printed and bound - to be done by the National Park staff with the projects support as necessary - filed correspondence	Linked to component A5 and overseen by the project manager supported by the Bogor office
B	Agreements between ALNP and all key communities, concessions holders are signed by the end of year 2	- Identification of concessions and communities (intermediate target) - Documentation of community agreement processes (intermediate target) - final signed agreement documents	- analysis of spatial and field survey data, legal documents (joint task of project and NP team) - compile and file documentation of processes (community facilitation staff) -compile and file final agreements (project manager)	Initial analysis is covered by activities of component A, agreements are the results of activities B1 and B2
B	ALNP Boundaries are fully demarcated on the ground by the end of year 3	- plans for boundary marking (intermediate target) - temporary boundary marked for discussion with communities (where relevant) (intermediate target) - minutes of boundary commission meetings (intermediate target) - final official map of boundary (intermediate target) - concrete pillars placed/replaced on boundary	- compile and file official documents and documentation of process from Forestry Department (boundaries agency) and boundary commission (project manager) - direct documentation (narrative report, GPS, photographs) during field visits to accompany boundary team/community or boundary team/concession representatives (community participation specialist)	Compilation of official documents will require additional effort by the project manager, but is part of his/her overall job of coordination with Government stakeholders. Field visits and documentation are part of activity B3.
C	Agreed priority training and materials delivered	Needs assessment (information, skills, and resources) and report on capacity building activities; supervision	- compile and file needs assessment and training/study visit reports. Seek information from both	- assessment is the result of activity C1 and C2, training reports the result of C2.

	<b>Performance indicator</b>	<b>Data/information required</b>	<b>Activities to collect data/info</b>	<b>Link to project activities</b>
		reports; individual and multi-stakeholder forum reports.	National park and private sector contributors on contributions (annual task of project manager as part of annual reporting)	
C	Commitments of at least 110 000 USD per year secured for post-project funding.	Written commitment from viable long-term supporters of national park management	Initially, through multi-stakeholder forum, also through direct contact with industry or other potential supporters. Filed written commitment from long term donors to the Park	- Reports on contributions require the project manager to contact the relevant stakeholders.
D	All relevant stakeholders have access to baseline data and monitoring results for key social and environmental indicators	- list of relevant stakeholders (intermediate target) - annual summary of monitoring results in appropriate language and format (intermediate target) - evidence that stakeholders have received/are aware of how to access monitoring information (at least annually)	- file a list of relevant stakeholders generated during the project initial surveys and update annually - prepare summaries of monitoring results (task of the project leader as part of the annual reporting cycle) - compile and file evidence that stakeholders are aware of the monitoring results (distribution lists, interviews with selected stakeholders) (task of the project manager)	- list of stakeholders will be generated by component A. project reporting and preparation of monitoring summaries is covered in component G, and dissemination of the report to stakeholders in activity B5.
E	Project policy papers and notes on dialogue with policy makers showing link to achievement of defined policy objectives by end of project	- project policy documents presenting information for decision makers (intermediate target) - defined objectives for policy work (intermediate target, yr 2) - official documents, instructions issued by Directors (yr 5)	- compile and file project documents - compile and file official documents (management support in Bogor)	- production of project policy documents and interaction with Government policy makers is included in component E.
E	Project consulted on proposals to establish collaborative management processes and institutions in at least two other national parks by end of project	- activity and supervision reports of other NPs reflect influence of visits/exchange with ALNP	- compile and file correspondence and records of information sent to other NPs - compile and file reports of visits/workshops and other contact with adopting NPs	- the process of consultation and exchange of information is part of component E.
F	NP and District Government annual plans and budgets are changed to accommodate priority issues in support of the	- Annual budget and workplan for District Forestry, planning, infrastructure, and agriculture Departments (as	- liaison with district Government to obtain budgets - annual District financial report to local legislature (public	- liaison with district Government is a routine part of the project managers job and is covered in component G

	<b>Performance indicator</b>	<b>Data/information required</b>	<b>Activities to collect data/info</b>	<b>Link to project activities</b>
	NP	appropriate) for pre-project and each project year	document) (task of the project manager)	
G	Project plans, budgets, reports are submitted on time, adjusted to incorporate the results of M and E and external factors, years 1-5	- Report documents, Aide memoire from Bank Reviews, external mid-term and final review reports	- compile and file internal control documents (financial, procurement and activity reports) recruit external evaluation consultants and organize evaluation (project manager and Bogor management support tasks)	- routine project planning, management and monitoring is covered by component G

## D - FINANCING

### 1. FINANCING PLAN

A comprehensive list of activities and sub activities is shown in the log frame and a full budget is included as an Annex, *see Annex 3*.

The overall budget for the project is USD 2,085,550 and can be broken down as follows:

Component	GEF contribution	Co-funding	Total
<b>Component A. Defining the scope for management of ALNP</b>	178,348	95,510	273,858
<b>Component B. Establishing a collaborative management regime</b>	169,773	434,108	603,881
<b>Component C. Building Capacity for Protected Areas Management</b>	136,471	147,271	283,742
<b>Component D. Monitoring and Evaluation to support adaptive management</b>	153,133	80,113	233,246
<b>Component E. Replication of the project model to other site</b>	125,953	150,335	276,288
<b>Component F. Raising Awareness and Public Support</b>	115,961	51,813	167,774
<b>Component G. Effective Project Management Systems Established</b>	120,315	126,446	246,761
<b>TOTAL BUDGET PROPOSAL</b>	<b>999,954</b>	<b>1,085,596</b>	<b>2,085,550</b>

Cost of each component includes operational costs of activities plus the associated personnel costs, goods & equipment.

A detailed breakdown of costs per activity and per year is given in the full project budget, *Annex 3*.

### **Financial implementation**

GEF funding and co-financing managed directly by BirdLife Indonesia will be disbursed through BirdLife Indonesia's standard financial procedures, with procurement of consultants and goods managed from the head office in Bogor according to World Bank guidelines. Field costs will be disbursed to the bank account of the project field office based on requests and agreed budgets and work plans. Monthly expenditure reports from the field are checked and compiled into quarterly financial reports in the head office. BirdLife Indonesia's internal financial procedures have already been approved by the World Bank for implementation of the Sangihe-Talaud GEF-MSP.

Co-financing from central government for national park management and boundary demarcation, and from local government for use by their own departments, will be disbursed directly to the relevant Government institution. Co-financing from neighboring private sector industries in support of the management agreements, multi-stakeholder Forum and of National Park management will either be in kind (for example, provision of transport and accommodation, provision of a national park office building) or, when in cash, will flow directly to the final beneficiaries. The project will monitor all of these co-financing flows through annual activity and financial reports from the partner organizations. In addition, financial contributions to the national park will be reported in the public annual report of the multi-stakeholder forum.

Disbursement and financial reporting will be the subject of an annual independent audit and routine internal evaluation by BirdLife Indonesia as well as during World Bank supervision missions.

### **Management Implementation**

The project will use the logical framework as a basis for developing annual and staff work plans, as well as project reporting. A preliminary work plan for project implementation is included in *annex 4*. The work plan will be reviewed at the start of the project with local partners.

The current political and economic realities of North Maluku will necessitate the project having a presence in both Ternate and Sofifi. Ternate remains the gateway to the province, the economic hub, and the seat of provincial Government. Many Government representatives from the Districts on Halmahera island, including those covered by ALNP, have representative offices and houses on Ternate or neighboring Tidore, and officials spend much of their time here rather than in their home districts. That said, in the long term political power will shift to Sofifi, though economic power will probably stay closer to Manado, in Ternate. In this context the decision of the ALNP to build an office in Sofifi is correct - and Sofifi is at the same time a convenient hub for interaction with villages around Aketajawe section. For efficiency and to maximize integration and capacity building impact, the project will combine resources with the NP management, to ensure that there is one main office for project and National Park, and adequate basic facilities for communication in each of Ternate, Sofifi and East Halmahera. The final decision about where to locate the main office will depend on an assessment of the situation when the project starts. The project will also make arrangements with industry and communities around the National Park to share use of their transport and communication facilities.

Lolobata and East Halmahera district are 1-2 days travel from Ternate and Sofifi. Given the intensity of logging activity around this section, a project presence in East Halmahera is essential and a sub-office will be established near the Lolobata block. This will most likely be located at Buli (centre of Government for East Halmahera, the district containing the Lolobata section), although Subaim is also a possibility (large transmigration settlement on the north coast, sub-district headquarters). The office will facilitate communication with key district partners such as the forestry department, planning department and others, and enable the project to participate in their activities. Access to Buli from Ternate/Sofifi is limited: there is a weekly flight from Ternate in a light aircraft, but otherwise access is from the north, crossing from Tobelo to Subaim and then by road across the peninsula, or from the west, crossing the peninsula to Weda and then by boat along the coast. Air travel is frequently disrupted by the weather, and sea travel is frequently impossible during the westerly wind season (early in the year). Accommodation and communications facilities in Buli and Subaim are currently very limited. There is no public telephone service or internet access. Locating a project office in Subaim or Buli will enable such facilities to be available, easing communications between project staff working in Lolobata and in the headquarters in Sofifi/Ternate.

BirdLife Indonesia will establish a project implementation team, who will be responsible to senior management in Bogor for the delivery of the objectives of the project. The field team will be backed up by relevant expert staff based out of the BirdLife Indonesia office in Bogor (e.g. legal expert, community facilitation expert) and resourced from BirdLife Indonesia's co-financing contribution, whilst short term consultants will be hired for specific studies and training activities.

A major part of the project implementation team's work will be facilitating collaboration and capacity building of stakeholders. This approach will be used to maximize skills transfer and institutional development while reducing risks. The team will always work with counterparts from National Park management and/or other local stakeholders in implementing its activities. Where appropriate these arrangements will be secured through official approval from the counterpart's organization.

The project implementation team will run two major internal review meetings each year, the first (October - November) to review the year and finalize planning for the coming year, and the second (March-April) to review progress and plans for the year. Other management meetings will be held as needed in connection with the project's quarterly reporting cycle and specific events. Basic monthly progress reports will be submitted to Birdlime's senior management in Bogor, and detailed quarterly progress reports will be prepared which will include evaluation of the projects performance against the planned strategy and indicators.

The project will establish a small project steering committee, tasked with reviewing draft report and plans and providing inputs, as well as discussing institutional issues which impact on the project. The members of the committee will be senior management BirdLife Indonesia and the Conservation Department, the project manager, and the head of the National Park management team.

The project will identify and contract an independent and appropriately qualified civil society organization (NGO or University department) to serve as an independent channel for any grievances voiced against the project by any stakeholder. The body will attend appropriate meetings of the NP Forum and the steering committee, at least once a year, and will provide a brief report which will form an annex to the project annual report. In the event that there is a grievance this body will compile information, make recommendations to the project for address the grievance, and monitor the projects implementation of these recommendations and the stakeholders reaction.

## 2. COST EFFECTIVENESS

N/A

## 3. CO-FINANCING

The total cost of the project is USD 2,085,550, of which USD 999,954 is requested from GEF and USD 1,085,596 has been committed by a variety of co-funding sources.

CO-FINANCING SOURCES				
Name of Co-financier (source)	Classification	Type	Amount (US\$)	Status
BirdLife Indonesia/International	NGO	Grants	405 246	Committed
Government Forest Boundaries Agency (BPKH)	Central Government	Central Government budget allocation	310 500	Planned*
Govt Natural Resources Conservation Agency (PHKA)	Central Government	Central Government budget allocation	99 750	Planned*
Local corporates	Private sector	Grant	150 000	Committed**
Local corporates	Private sector	In-kind	120 100	Committed**
<b>Total co funding</b>			<b>1 085 596</b>	

\*Central Government have made a commitment to apply for the funding within the Government's annual budgeting process. At this stage a firmer commitment is not possible (Annex 26a and Annex 26b)

**\*\***The total contribution from local corporates is a minimum estimate based on the written commitment from Weda Bay Nickel (annex 14). The division between grant and in-kind is indicative and subject to discussion.

## **E - INSTITUTIONAL COORDINATION AND SUPPORT**

### **1. LINKS TO WORLD BANK PORTFOLIO**

The **World Bank Country Assistance Strategy (CAS) 2004 - 2007** focuses on two key constraints to poverty alleviation in Indonesia: (i) inadequate productive employment, and (ii) quality of service delivery to the poor. The CAS also emphasizes a cross-cutting theme, namely, governance. Within the context of protected areas management and its links to surrounding stakeholders, this project will make a limited but significant contribution to a number of areas within the CAS.

Based on the CAS' second pillar, the project will **improve services for the poor** by supporting the following outcomes:

- The multi-stakeholder forum will result in greater *accountability of government and participation of communities in decision making*, which will inevitably lead to more favorable outcomes for local communities. Participation and transparency will be reinforced by the project's mechanisms for communicating information back to stakeholder groups, which will enable them to monitor the provision of services and learn about their rights and responsibilities.
- Through providing information and on-the-job training to National Park Management staff and to local government departments, the project will also directly address *strengthening of the analytical capacity to reform sectoral and related policies and institutions*, which will allow government staff to better provide services to the poor.

Based on the CAS' third pillar, the project will improve **governance** by supporting the following outcomes:

- The project will contribute to development planning which is more responsive to its constituents through facilitating village level consultation (village conservation agreements in three villages neighboring the park) and implementing activities to integrate district level spatial plans with national park management.
- The project's activities with local industries, including activities to stop damage to the national park by neighboring logging and mining companies, are in line with the World Bank Good Environmental Governance (GEG) program, which promotes private sector and district government compliance with environmental standards. They are also consistent with the World Bank PROPER project, which promotes public disclosure of information on the performance of industry.

### **Lessons Learned**

The proposed GEF project incorporates recommendations made under the aforementioned concept for a World Bank/GEF Maluku Conservation and Natural Resource Management (MACONAR) Project. This project had completed detailed preparatory studies and been accepted into the GEF work plan when it was halted because of social conflict in Maluku in 1999. The central aim of the project was to redesign the protected areas network in the region, build the capacity of government to better manage protected areas, and involve the private sector in their management. The Terrestrial Protected Areas Component Project Preparation Report (Petocz et al 1997) reviews previous studies of protected area priorities on Maluku, confirmed Aketajawe and Lolobata as two of the eight top priority sites in the region, and recommended:

- A rapid ecological assessment of five key sites to produce information for boundary demarcation and reserve management;
- An evaluation of small scale gold panning at Lolobata;
- A social assessment of neighboring villages; and,
- That boundary demarcation is carried out in a transparent and participatory manner.

All of these recommendations have been incorporated into the current project design.

In addition to incorporating recommendations from MACONAR, this project also builds on lessons from across the wider GEF portfolio in Indonesia. Within the Biodiversity focal area, one GEF full-size grant (in Komodo National Park) and two GEF medium-sized projects (in Sangihe-Talaud and Lambusango) are currently underway in Indonesia. A number of projects have recently finished, including the Aceh Elephant Project, the Berbak-Sembilang National Park Project, and the Kerinci-Seblat Integrated Conservation and Development Project.

All of the recent projects have emphasized addressing forest conservation through multi-stakeholder approaches, working at district level, through looking at forest reserves in the wider context of land use around them. The proposed project and the recently initiated Lambusango Project share recognition of the importance of integrating stakeholders in forest management. However the two projects are working in very different social and economic contexts, around different types of protected area. Lambusango is an area of relatively high population, strong traditional communities, with little impact from forest industry, whilst the present project will be in an area of low population density, with significant numbers of transmigrants, and a protected area that shares most of its boundaries with concessions belonging to logging and mining companies. Hence the Lambusango Project emphasizes community forestry and a single management entity as its core strategy; conversely, the proposed project emphasizes private sector involvement and a multi-stakeholder forum to enable integration of the existing interests and authority of its participants.

2. CONSULTATION, COORDINATION AND COLLABORATION BETWEEN AND AMONG IMPLEMENTING AGENCIES, EXECUTING AGENCIES, AND THE GEF SECRETARIAT, IF APPROPRIATE.

The project addresses the objective of the **UNDP Country Cooperation Framework 2001 - 2005** on environmental management. Within this objective, the project will contribute in a limited way to the aims of the Indonesian decentralized Environmental and Natural Resource Management Program (IDEN).

3. IMPLEMENTATION/EXECUTION ARRANGEMENTS  
*See annex 5*

**PART III - RESPONSE TO REVIEWS**

- A - CONVENTION SECRETARIAT
- B - OTHER IAs AND RELEVANT EXAs
- C - STAP

**PART IV - Project Category Annex**

**LIST OF ANNEXES (Note:** These annexes include those necessary for World Bank processing which are not included in the package for the GEFSEC)

- Annex 1. Key Species
- Annex 2. Project Logical Framework
- Annex 3. Detailed Project Budget
- Annex 4. Implementation Plan
- Annex 5. Letter of support from the Director-General of Forest Protection and Nature Conservation, Jakarta
- Annex 6. GEF National Focal Point Endorsement
- Annex 7. Letter of support from the head of the Regional Office for Forest Protection and Nature Conservation, Ambon
- Annex 8. Letter of support from the Forest Boundaries Department, Region IX (Ambon)
- Annex 9. Letter of support from the Forestry Department of the Government of the North Maluku Province
- Annex 10. Letter of support from the Marine and Agriculture Service of the Government of the Tidore Islands Urban District
- Annex 11. Letter of support from Governor of North Maluku Province, Ternate
- Annex 12. Letter of support from The District Head of East Halmahera District, Maba
- Annex 13. Letter of support from The District Head of the Tidore Islands Urban District
- Annex 14. Letter of support from PT. Weda Bay Nickel
- Annex 15. Letter of support from BirdLife International
- Annex 16. Decree of the Minister of Forestry No. SK.397/Menhut-II/2004 on establishment of Aketajawe-Lolobata National Park
- Annex 17. Map of Aketajawe-Lolobata National Park
- Annex 18. Involuntary Resettlement Process Framework
- Annex 19. North Maluku Security Report
- Annex 20. Notes on consultation process (meetings, workshops) during proposal development
- Annex 21. Anti Corruption Statement
- Annex 22. Problem tree analysis
- Annex 23. Profile of BirdLife Indonesia

Annex 24.	TOR of Consultant
Annex 25.	Management Effectiveness Tracking Tool for GEF Biodiversity Focal Area Strategic Priority One: "Catalyzing Sustainability of Protected Areas"
Annex 26a	Letter of financial commitment from Government of Indonesia
Annex 26b	Clarification of financial commitment from Government of Indonesia
Annex 27a	Letter of financial commitment from BirdLife Indonesia
Annex 27b	Cover letter from BirdLife Indonesia

