

Cover Page for Project/Program Approval Request

1. Country/Region:	Indonesia	2. CIF Project ID#:	(Trustee will assign ID)
3. Source of Funding:	<input checked="" type="checkbox"/> FIP	<input type="checkbox"/> PPCR	<input type="checkbox"/> SREP
4. Project/Program Title:	Strengthening Rights and Economies of <i>Adat</i> and Local Communities Project (DGMI)		
5. Type of CIF Investment:	<input checked="" type="checkbox"/> Public	<input type="checkbox"/> Private	<input type="checkbox"/> Mixed
6. Funding Request in million USD equivalent:	<i>Grant: 6.325 million</i>		<i>Non-Grant:</i>
7. Implementing MDB(s):	<i>IBRD</i>		
8. National Implementing Agency:	<i>Cristi Nozawa, The Samdhana Institute, Jalan Guntur No. 32, Babakan, Bogor Tengah, Babakan, Bogor Tengah, Kota Bogor, Jawa Barat 16128, Indonesia. Email: cristi@samdhana.org</i>		
9. MDB Focal Point and Project/Program Task Team Leader (TTL):	<i>Headquarters- Focal Point: Gerhard Dieterle Madhavi Pillai</i>		<i>TTL: Diji Chandrasekharan Behr; Gayatri Acharya</i>
10. Project/Program Description (including objectives and expected outcomes):			
<p>1. The project development objective is to improve participating indigenous people and local communities' (IPLCs) capacity to engage in tenure security processes and livelihood opportunities from sustainable management of forest and land.</p> <p>2. The DGMI project has three components which are described below.</p> <p>Component 1: Grants to Strengthen IPLC Capacity to Enhance Tenure Security and Improve Livelihoods (USD 4.03 million)</p> <p>3. This component will, through the provision of grants, build the capacity of IPLC to pursue: (i) clarity and security over their rights to land (including forest land) in rural areas, and (ii) improved livelihoods. This component will result in mechanisms, skills, and outputs that will assist the participating IPLCs to advance efforts to strengthen tenure and improve their well-being. It will help the participating IPLC to fulfill (to the extent possible) government requirements for greater land tenure security and access to services that improve livelihoods.</p> <p>4. The selection of communities eligible for support from this component will be based on criteria such as: (i) community has started or has completed participatory mapping of territories or process for applying for social permits, (ii) areas are part of vulnerable landscapes (e.g., peatlands, lowlands, fire prone areas, small islands that are subject to pressure from industries such as mining and plantations), and (iii) feasibility (both financial and political). The latter will be determined based on evidence of districts' willingness to engage in recognition of IPLC and their claims for collective land rights. Additional criteria, such as percentage of women beneficiaries, community support and organizations' capacity, will be used to screen proposals (these are presented in Annex 1 and will be elaborated in the Project Operational Manual (POM)).</p> <p>5. Grant proposals associated with this component will include a combination of activities for all three subcomponents or activities for subcomponent 1.1 and 1.2, or activities for subcomponent 1.1 and 1.3 (when there is clear tenure). The project aims to issue 60 block grants over the course of the project life.</p>			

Several of these grants will span multiple years. The minimum grant size is estimated to be \$30,000. The first tranche of each grant will be for implementing subcomponent 1.1, and is expected to not exceed \$7,500. Details regarding the activities, selection process, and the financing mechanism are described in Annex 1 and will be further detailed in the POM.

Subcomponent 1.1. Community Outreach and Mobilization (0.3 million)

6. **Funds associated with this subcomponent will be accessible to non-governmental organizations (NGOs), CSOs, and CBOs that have been shortlisted following an open call for proposals.** The support is to enable the short-listed proponents to sensitize their targeted beneficiaries and other relevant stakeholders (e.g., local government) about the project scope and implementation arrangements, and to refine the project proposal to optimize the opportunities created by the DGM-I. The aim is to ensure that proposal beneficiaries have access to information about opportunities and requirements for tenure security and improving their livelihoods. The information is to help them determine how to most effectively use potential support from the DGM-I. Similar efforts will be made to provide the targeted beneficiaries with information on public and private financial resources for supporting local development and processes and requirements for accessing these funds. The communication and outreach will be developed in a gender-sensitive manner. Further elaboration on how this should be done will be noted in the project operational manual based on recommendations made in the gender strategy.
7. **The subcomponent will finance the costs of outreach materials, meetings, workshops, and, in some cases, community exchange visits.** The allocation of funds associated with this subcomponent and its use will match the need of the short-listed NGOs, CSOs, and CBOs. For example, organizations with a good understanding of the opportunities and requirements for tenure security may receive support to understand processes and requirements for accessing public and private funds for local development if their knowledge of the latter is limited.

Subcomponent 1.2: Strengthen IPLC's Capacity to Enhance Land Tenure Security (2 million)

8. **This sub-component will support IPLCs ongoing efforts to claim tenurial rights, primarily through bolstering their claims for (a) customary forests (*Hutan Adat*); (b) communal land rights (applicable to both IP and LC); and (c) permits for forestlands (e.g., social forestry or community forestry).** These three types of tenure security are the primary focus because they capture the three main forms of tenure IPLC have been striving to obtain in Indonesia. The proposed support provided through this subcomponent will position the IPLC to strengthen security over the bundle of rights associated with access and land use. The IPLC will receive information on documentation requirements for processing tenurial claims under the three target rights categories and guidance on how to secure these rights. Further, the selected IPLCs will receive assistance needed for compiling evidence regarding land areas, finalized land maps, liaising with local government officials for submission and processing of the applications for obtaining land use rights. Throughout the various activities, concerted efforts will be made to ensure adequate representation of women in the decision-making and official processes with government.
9. **This subcomponent will finance technical assistance and mentoring for IPLCs.** The aim is to assist them to collect/compile necessary evidence, information and documentation required for submission of their claims, as well as support costs for follow-up with competent authorities on the status of their application, targeted legal support for preparation of required documentation, technical support for further development of materials, travel and workshops. In addition, the subcomponent will also support dispute mediation, in case of conflicting claims, where necessary to ensure consensus among IPLCs and build up their capacity to engage in an efficient and informed manner with the decision-makers in government and other external entities.

This will include training based on the guidelines and procedures of existing and alternative dispute resolution mechanisms, with an aim to improve the IPLC's ability to engage in mediation and better resolution skills and techniques.

Subcomponent 1.3: Build IPLC Capacity to Improve Livelihoods (1.73 million)

10. **Recognizing the importance of balancing tenure security processes with the ability to invest and improve welfare, this subcomponent will assist IPLC with two dimensions of improving livelihoods:** (i) determining and agreeing on the priority livelihood activities for which they want to receive support from this project (this will be done recognizing that women and men rely on natural resources in distinct ways and ensuring that women are represented in the prioritization process) and (ii) financing for their priority livelihood activities that are widely accepted to contribute to sustainable management of forests and lands. There will be a set of criteria to describe the types of activities that would be eligible for support, such as alignment with existing forest management plans or part of a menu of activities that contribute to sustainable land management. Another consideration will be the feasibility and potential for self-financing following the use of the grant (i.e., leveraging other sources of financing).
11. **This grant financing will support training and technical support to local community facilitators, and support for these trained facilitators to assist with developing and refining community development plans.** The training will also enable facilitators to transfer their skills to youth and others who are interested in becoming facilitators. The grant financing will also finance meetings and activities to assist the communities to discuss priorities and develop or refine a previously prepared plan of community level investments that could be used for purposes beyond this project. The plans would provide information on all the sub-projects for which investments are sought, and assist in prioritizing the subprojects will be submitted for DGMI financing. The funds will also cover costs of agreed investments. These investments can range from investments in agroforestry technology to investments in value addition of non-timber forest products to investments in micro-hydro (to reduce reliance on wood energy).

Component 2: Inform Policy Processes and Dialogues (USD 0.91 Million)

12. **This component will focus on strengthening how IPLC representatives engage in national and subnational policy and decision-making processes that will inform issues regarding REDD+, addressing drivers of deforestation, landscape management and IPLC livelihoods.** The support will be for either members of the NSC, or other key persons identified as representing groups of IPLC (e.g., persons from the CBOs/CSOs/NGOs receiving grants as part of component 1 or persons leading dialogues on IPLC issues in national or subnational platforms (e.g., the task force on agrarian reform, or the proposed taskforce on IP issues)). The process of identifying the priority platforms will be based on a mapping the legitimacy of the platform, how it engages key stakeholders (actively or as passive participants) and the opportunities it offers for presenting key IPLC issues. More specifics will be elaborated in the POM and due consideration will be given to subnational dialogues.
13. **This subcomponent will finance capacity building and technical assistance for IPLC to garner support and effectively share their perspectives on key issues, and to raise funds.** It will also build capacity of CSOs/CBOs/NGOs that are receiving grants for implementing component 1. The project manual will describes measures that will need to be implemented to ensure that capacity of women representatives is also built. The funding provided by this subcomponent will cover the cost of compiling and packaging the evidence, and mobilizing support among different stakeholders. The allocation of resources will be spread out across the life of the project, prioritizing activities which IPLC groups can influence. The NEA will administer the funds for this component and handle all the associated procurement, and will detail a process for deciding which

activities are eligible, and how the IPLC will self-select representatives for participating in these events, and how much financing will be allocated for this activity on an annual basis in the POM.

Component 3: Project Management and Monitoring and Evaluation (USD 1.38 Million)

14. **This component will include management and supervision of the project.** Associated with management, it will finance the coordination meetings involving the NSC and NEA, and any regional meetings with DGM constituents to provide updates of the program and sharing insights from activities. It will support the implementation arrangement associated with this project. It will also cover the costs of providing short-listed project proponents with support for improving the project design and implementation.
15. **This component will also support the design and implementation of a strategy for the continued communication (exchange) between the NSC and the people it represents.** Implementation of the strategy will assist the NSC to champion the interests and views of their constituents and build the authority of the NSC among other stakeholders. This strategy will address how the NSC members would solicit views and interests of their constituents and how the NSC would report back to these stakeholders on the advancements in addressing the identified issues.
16. **The component will also cover the costs of establishing and operating a monitoring and evaluation (M&E) mechanism that engages local communities and informs the implementation of the project in addition to tracking performance.** The M&E system will also contribute to identifying lessons learned and will inform communications and outreach in components 1 and 2. This component will finance the implementation of a project grievance redress mechanism and communications and feedback processes to ensure that the cause of the grievances inform any necessary modifications in project implementation. A focal person will be identified within the NEA to monitor and respond to concerns raised.

11. Consistency with Investment Criteria:

The projects objectives and activities are in line with the DGM objectives and modalities, as well as with the FIP objectives.

1. **Consistency with DGM objective:** DGM objective is to enhance the capacity and support specific initiatives of Indigenous Peoples and Local Communities (IPLC) in the FIP pilot countries to strengthen their participation in FIP and other REDD+ processes at the local, national and global levels. Those objectives are reflected in this DGM Project which has a particular focus on addressing a building IPLC capacity to address key driver of deforestation (unclear land tenure) and also improve their capacity to direct and engage in opportunities for improving rural livelihoods. The project also aims to strengthen the role of the National Steering Committee (NSC) which is composed of nine IPLC representatives who were selected through a national consultative process.
2. Component 1 of the project, through grants for subprojects will enhance the ability of IPLC to effectively engage in processes for improved tenure security and livelihoods. Component 2 of the project augments the capacity of the IPLC to engage in subnational and national processes related to REDD+ and sustainable landscape management. It also builds their competencies in raising funds and support for IPLC to address key issues related to their use of natural resources and sustainable forest management.
3. **Consistency with the DGM guidelines:** The project design is consistent with the Guidelines for the DGM in how the project is demand driven and operates with the governance structure recommended in the guidelines. The objective of components of the project also support investments and capacity building for IPLCs through the following sub-components: (i) Implementation of on-the-ground activities of Indigenous Peoples and Local Communities' choice in Indonesia (a FIP pilot country) and (ii) capacity building programs for IPLC organizations.

4. **Alignment with DGM approach:** The proposed activities are aligned with all the DGM thematic areas: Capacity development, Promotion of rural livelihoods, and investments in sustainable management of forest landscapes.

5. **Leadership by the IPLC:** The project has been designed under the leadership of the NSC who in turn are representatives of IPLC constituents. The NSC, through their implementing arm – the national executing agency (NEA)- have been involved in all the key decision making meetings and engaged throughout the process of project preparation. The NEA conducted the studies and coordinated the consultations and meetings and systematically involved the NSC in this process.

6. **Respect of IPLC culture:** Selection of delegates and determination of the modus operandi of the NSC was done through a national consultative process (which included numerous regional meetings). The process was initially led by the Forestry Council's (DKN) community chamber. The NSC and NEA were actively involved in designing and implementing the consultations, overseeing that it was conducted in a manner that respects the cultural ways, modes of living, rights and cultural resources of the communities.

7. **Alignment with FIP:** The seven regions that are considered for this project are also areas where the FIP financed projects will be active. Furthermore there will be representation of the NSC on the technical steering committee (TSC) and program steering committee (PSC) associated with the FIP. One of the reasons for the latter is to augment the coordination between the FIP financed projects and DGMI. The aim is to overlap, where possible the geographic locations between the FIP and DGMI.

8. **Alignment with MDB processes:** the project proposal is compliant with the relevant operational and safeguards policies of the World Bank and received support from World Bank management.

12. Stakeholder engagement:

17. **Public consultations in preparation for DGMI were held in seven regions from April to June 2014 led by DKN (Dewan Kehutanan Nasional/National Forestry Council) with IPLCs.** During these consultations, broad areas of support for DGMI were discussed, highlighting key concerns affecting IPLCs in each region followed by proposed activities that could potentially be supported by DGMI. The eight priority areas included (i) tenure security over territories of indigenous peoples and local communities; (ii) revitalization of an area or region where there are customary communities; (iii) economic and institutional development; (iv) Improve productivity of traditional agricultural practices and helping augment food security; (v) improving access to information for indigenous peoples and local communities (both men and women); (vi) development of renewable energy; (vii) improving access to water (of needed quality); and (viii) specific issues related to obtaining special autonomy status.

18. **During the preparation phase of the DGMI, the NSC reached out to their constituents to consult on key aspects of the project design - the selection criteria and process for selecting proposals and receive input from the local stakeholders about any concerns or considerations that needed to be taken into account.** Following these discussions, the NSC and NEA will be adopting a clear, transparent set of selection criteria and will be explicit about the activities eligible for financing. Consultations were also conducted for the environmental and social management framework (ESMF) which is the safeguards instrument being used for the project.

13. Gender considerations:

Gender considerations were handled in the following manner:

1. The composition of the NSC includes 4 women representatives (out of the nine representatives in total). One representative is an Indigenous Women Representative.
2. A gender mainstreaming strategy was prepared drawing on the social assessment findings on gender issues. The mainstreaming report's recommendations have been explicitly included in the implementation of each component of the project.
3. The project results, set as a target that a minimum of 30% of the beneficiaries will be women.

14. Indicators and Targets (consistent with results framework):

Core Indicator	Target
1. Participating IPLCs submit evidence for recognition of tenure to the government (number).	30
2. Sub-projects successfully completed and achieved their objectives which are consistent with FIP objectives (percentage)	60
3. DGM Program participants who benefit (monetary or non-monetary) from grant activities, disaggregated by gender (number) referring to number of participants in livelihood sub-projects	700

Female beneficiaries (Percentage)		30%
15. Parallel Financing:		
	<i>Amount (in USD million):</i>	<i>Type of contribution:</i>
Co-Financing Total:		
16. Expected Board/MDB Management approval date:		
February 28, 2017		