Policy Brief FOREST Governance

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STRENGTHEN TRANSPARENCY:

Build Credibility And Public Trust For Forest Management In Indonesia

1.   PROBLEM URGENCY

Forest management in Indonesia can be identified by the development of the IUPHHK-HA (License to commercially utilize timber in natural forest), IUPHHK-HT (License to run business of industrial plantation), and IUPKH (License to utilize forest area) for small scale businesses such as IUPHHK-HTR (License to run business of plantation for social forestry), Community Forest and Village Forest. In the last 10 years, business from natural forest has been decreasing. In 2013, there are only 22.8 million hectares of Production Forest that managed by 272 companies. While, from those companies, less than 50% or only 115 companies are still operating. Several factors that affect this condition are high production cost due to high tax and also extortion in the process of management and transportation of wood product.[1]

The declining IUPHHK-HA was replaced by plantation where every year its target of the area is always rising. In 2013 the area of plantation reached 10 million hectares, managed by 252 management units. With the concept of wood plantation, HTI (Industrial forest plantation) concession area leaves natural forest cover of 1.5 million hectares. On the other hand, the plantation area increased almost twofold which was 5.2 million hectares in 2004 became 9.4 million hectares in 2013. Mining business is also rising. The license to run mining business (IUP) issued by the government until March 2013 reached the number of 11 thousand IUPs. General Directorate of Forest Planology of Indonesia stated that until March 2013, there were only 2.6 million hectares licenses issued for the mining exploration survey and 382.5 thousand hectares for mining exploitation within the State Forest Area.

In the same period, the progress of small business is very slow. This is shown by the percentage proportion of forest utilization between small business by communities and big business. Businessmen utilize for 97 percent and only 3 percent used by the community (UNDP 2013). These include the slow rehabilitation of critical forest areas, nature conservation, as well as the establishment of forest area.

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1 Potret Keadaan Hutan Indonesia Periode 2009-2013

Figure 1. Index of National Forest Governance and REDD+ based on Principles
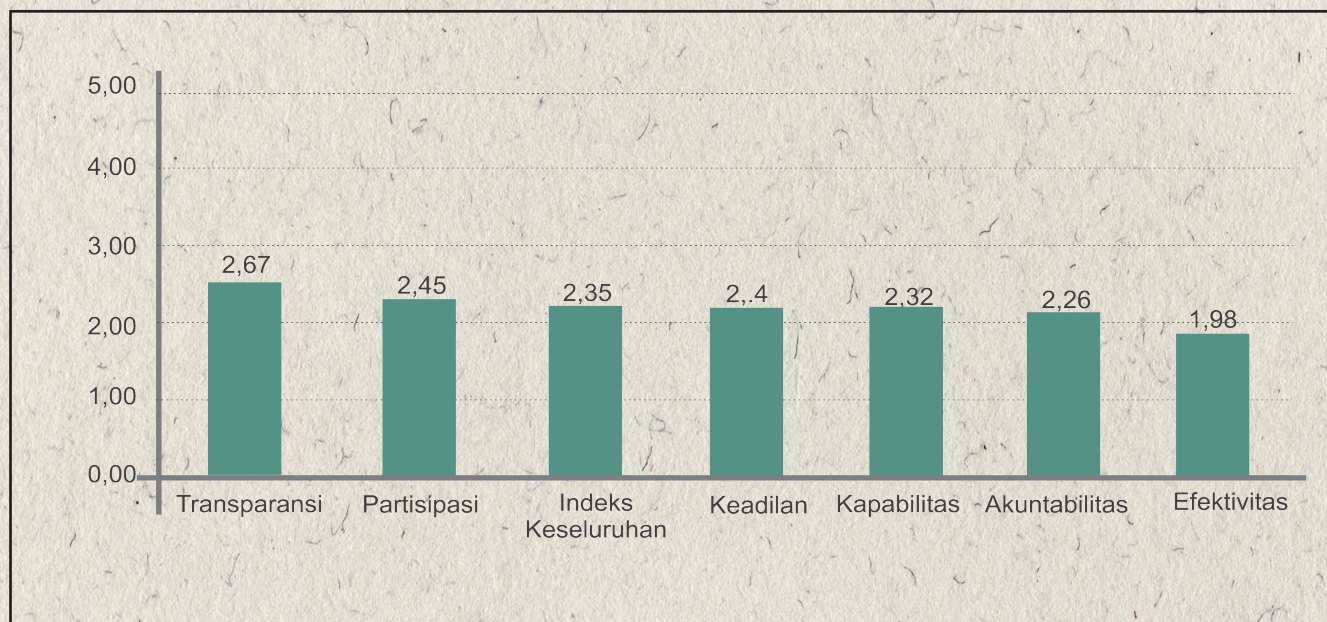
Those situations cannot be separated from the growing conflict of forest/land utilization, high deforestation, injustice allocation of benefits and poor governance such as corruption and authority abuse. The online licensing policy of Forestry Ministry [2] has not been able to raise the credibility of forestry policy (Study of Online Licensing, UNDP and Forestry of Ministry 2014). Even, public trust is not high enough.

The assessment result of some principles of national forest governance and REDD+ indicates that transparency has a higher score (2.67) than other

principles (Indonesian UNDP 2013). Scale for the assessment is from 1 to 5, which 1 means the forest governance is very bad and 5 describes that it is very good.

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2 Forestry Ministry has been merged with Environmental Ministry

The low index above indicates that efforts to improve good governance in the forestry sector have not been sufficiently effective. For example, issuance of regulations about information disclosure, which are The Regulation of Forestry Ministry Number P.07/Menhut-II/2011 about Public Information Services in the Ministry of Forestry, Decision Letter Number 50/2011 about Officer for Management of Information and Documentation (PPID) and The Regulation of Forestry Ministry Number 18/2014 about Team of Consideration of Forestry Ministry Information Service. The policies were made as the mandate of The Law of Republic of Indonesia Number 14 Year 2008 on Disclosure of Public Information.

Disclosure of information is a means to optimize public scrutiny and a precondition for the implementation of the

principle of public participation in forestry development. It will encourage the control of society, so that deviation can be avoided and corruption can be reduced. These conditions are expected to have implications for the improvement of forest governance in Indonesia. The next questions are how about its implementation and what constraints in encouraging information disclosure of forestry.

2. POLICY IMPLEMENTATION

The Law on Disclosure of Public Information, article 13 mandates the establishment of PPID at the level of provincial, district, and the city. According to Ministry of Interior in 2013, the number of provinces that have already formed PPID is only 22 or 67%. Meanwhile, PPID of districts and cities that have been formed are 88 and 34 or by 22% and 35%.

Establishment of PPID is not a guarantee of easy access to public information. Some areas have formed PPID but have not yet developed Standard Operating Procedures (SOP), have not appointed the officer, have no list of public information, lack of service personnel and information desk. In other word, PPID have been formally established, but have not enough data. This occurs because each Department or each echelon I in the Ministry have not submitted all the data, so PPID cannot run a public information service function properly. This causes forest and land management at the local level is less transparent.

Information system and the efforts made at the national level have been strong enough to be used as a basis for implementing transparency, but the system has not been integrated. While at the local level, an attempt to build the information system is very low. The ability and willingness of the public to access information on the national and local levels is still weak. The efforts of the actors are still relatively weak in actualizing the information transparency. System of pooling data and information is still very weak, because there is no structured and integrated central data. Information and technical data on forestry is still held by forestry agencies and each directorate of the Ministry.

a. *Assessment Result of PPID of Forestry Ministry* [3]

PPID assessment results in the Ministry of Forestry (2014) indicate the type of data B which is associated with forest management, as the type of data that is most often asked by applicants. There were 89 the amount of information that is requested by 39 applicants. However, in the period of January to August 2014, only 15 informations had been responded directly and some others were without responses. This indicates that the system of information services of PPID is not good enough to monitor every stage of processing the information request. PPID is more responsive to the applicant requesting information related data administration/institution in the Ministry of Forestry.

3 FWI.2014.Press briefing Tata Kelola Hutan Yang Baik Membutuhkan Informasi Kehutanan Yang Baik

b. **Index of Transparency and Deforestation**

The study of the index of transparency and deforestation in nine districts of Sumatra and Borneo shows tendency that district with high rate of deforestation has a lower transparency index, as shown in the following graph.

Poor transparency of forest and land management is correlated with the deforestation. Based on data of Forest Watch Indonesia on forest cover change in 2009-2013, the rate of deforestation in Berau district was 113 233 hectares and 99 920 hectares for Kubu Raya (FWI, 2014). Based on this study, the two districts' transparency index were in categories of "bad" which were 7.07 for Berau and 14.34 for Kubu Raya. It indicates that the less transparency, the higher the deforestation.

Arrangement of information disclosure is not comprehensive and detailed. There is no mechanism of reward and punishment on the performance of the Ministry or local government in the service of public information disclosure. The capacity of stakeholders is

Table 1. Recapitulation of Public Information Request and Response of PPID Ministry of Forestry on Public Information Request, January - August 2014

Data Type	Applicants	Information Number	Response		
			Direct Response	In Process	No Record
A	5	46	16	10	20
B	39	89	15	18	56
C	1	3	-	1	0

Source : FWI, 2014

Specification :
A = Information related to administrative / institutional / publications ,
B = The information that is directly related to the concession
C = Other (PPID information under the control of the MoF)

not sufficient to actualize it. In addition, there is an inequality perception about the type of open data, for example about forest areas in the form of shapefiles. Many people do not know that they have right to request or obtain information to/from both national and local governments.

c. **Exchange of Central-Regional Data and Information / Inter-Sector**

In terms of data and information exchange (interoperability) between forestry agencies at central and local levels, for the time being is not effectively implemented. Whereas, the information system which is being developed in several directorates in the Ministry aims to answer in order to exchange and to update information from the central to regional (or vice versa) so it can be effective. Unfortunately, the information system is not functioning optimally due to the lack of availability of information and human resources assigned to process and to manage the data in the information system.

This also occurs in the context of the exchange of data and information among government agencies. This is considered as important because a discrepancy of forestry data and information often occurs between each government agency as well as in each directorate within the Ministry itself.

d. **Information Service For Community Who Live Inside and Around Forest**

Specific information service for communities who live in and around the forest is still very weak. Their limited access to communication networks and their locations in the remote area, should be considered so they could obtain different

Figure 2. Deforestation and Index of Transparency in 9 Districts
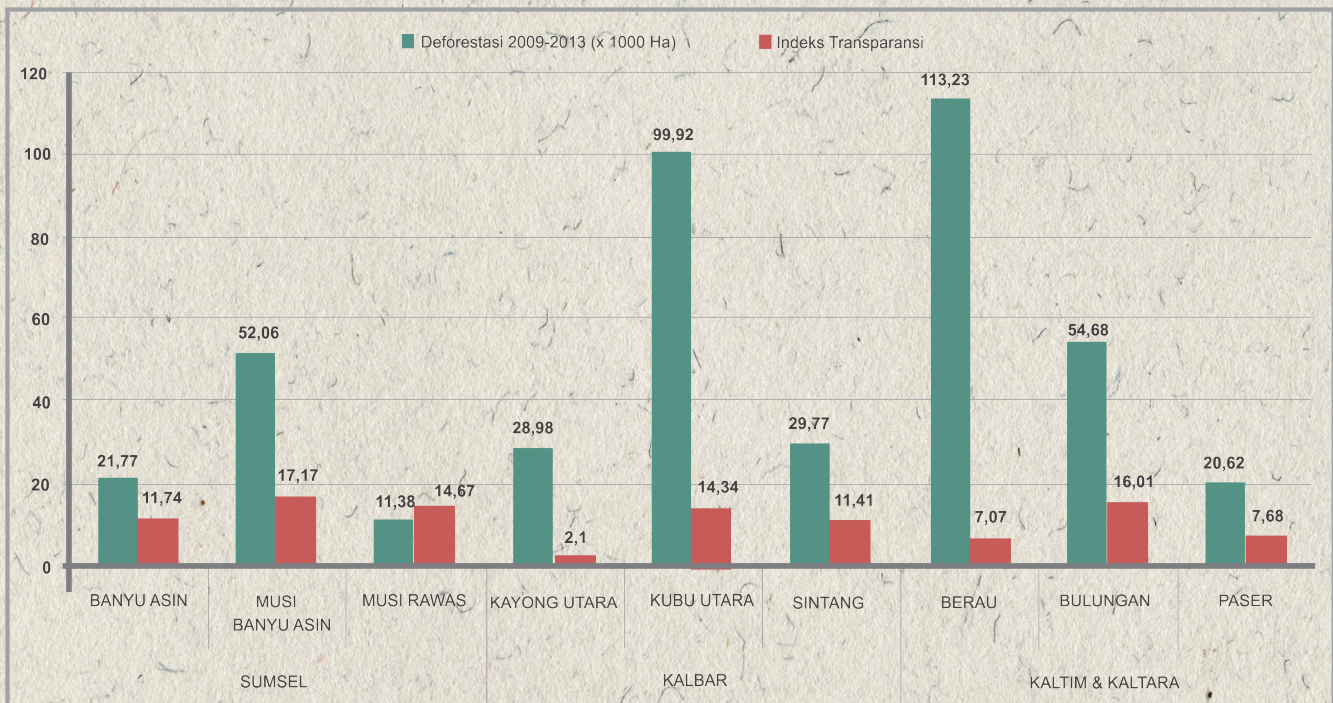
Source: Indeks Kelola Hutan dan Lahan : ICEL & FITRA, 2013;FWI, 2014

forms of information services to urban communities. Moreover, they are the most impacted parties on a development project in the forest area. Thus, become a necessity for the government to give them information that complete and easy to understand.

Akses jaringan komunikasi dan keberadaan mereka di daerah-daerah yang sulit dijangkau, seharusnya menjadi pertimbangan untuk mendapatkan bentuk pelayanan informasi yang berbeda dengan masyarakat yang tinggal di perkotaan. Apalagi mereka inilah yang paling merasakan dampak sebuah proyek pembangunan di kawasan hutan. Sehingga, menjadi suatu keharusan bagi pemerintah untuk memberikan mereka informasi agar mereka memperoleh informasi yang lengkap dan mudah dipahami. [end]

3. RECOMENDATION

To increase transparency in forest and land management, the central government is expected to:

1. Conduct assistance, monitoring, and evaluation of the implementation of the Law on Disclosure of Public Information (Law Number 14 Year 2008) in the Central and Regional level. One of them is by establishing a mechanism of reward and punishment through an award for Work Units or local governments that have good information disclosure system and announcement if they have bad scores.

2. Develop an information system of environmental and forestry which is integrated at the national level (inter-sector) as well as regional- central, in order to encourage the availability and transfer data and information among institutions.

3. Encourage acceleration support on human resources, facilities, infrastructure, and adequate funding nationally.

4. Encourage proactive publication associated with the data/information on forests and land management, as well as strengthen the system of documentation/archiving to support the data availability related to forest and land management.

5. Strengthen the capacity of local governments to provide information (e.g. boundary, the potential of forest resources, protected fauna/ flora) that is easy to understand for communities around forest to build their participation in the forest management. Government is alos expected to encourage the information disclosure, especially information access on open data such as documents of RKU PHHK / RKPH, RKT, RPBBI, licenses and attachment maps, maps in format of shape file (shp), IPK, and Environmental Impact Analysis. Clarity data must be known by both internal and public so it can open space for community participation to achieve a fair and sustainable forest management.

6. Ensure the clarity of permitting process mechanism as well as cost, time and decision argumentation of each stage of the licensing process to utilize forest area including forest conversion.

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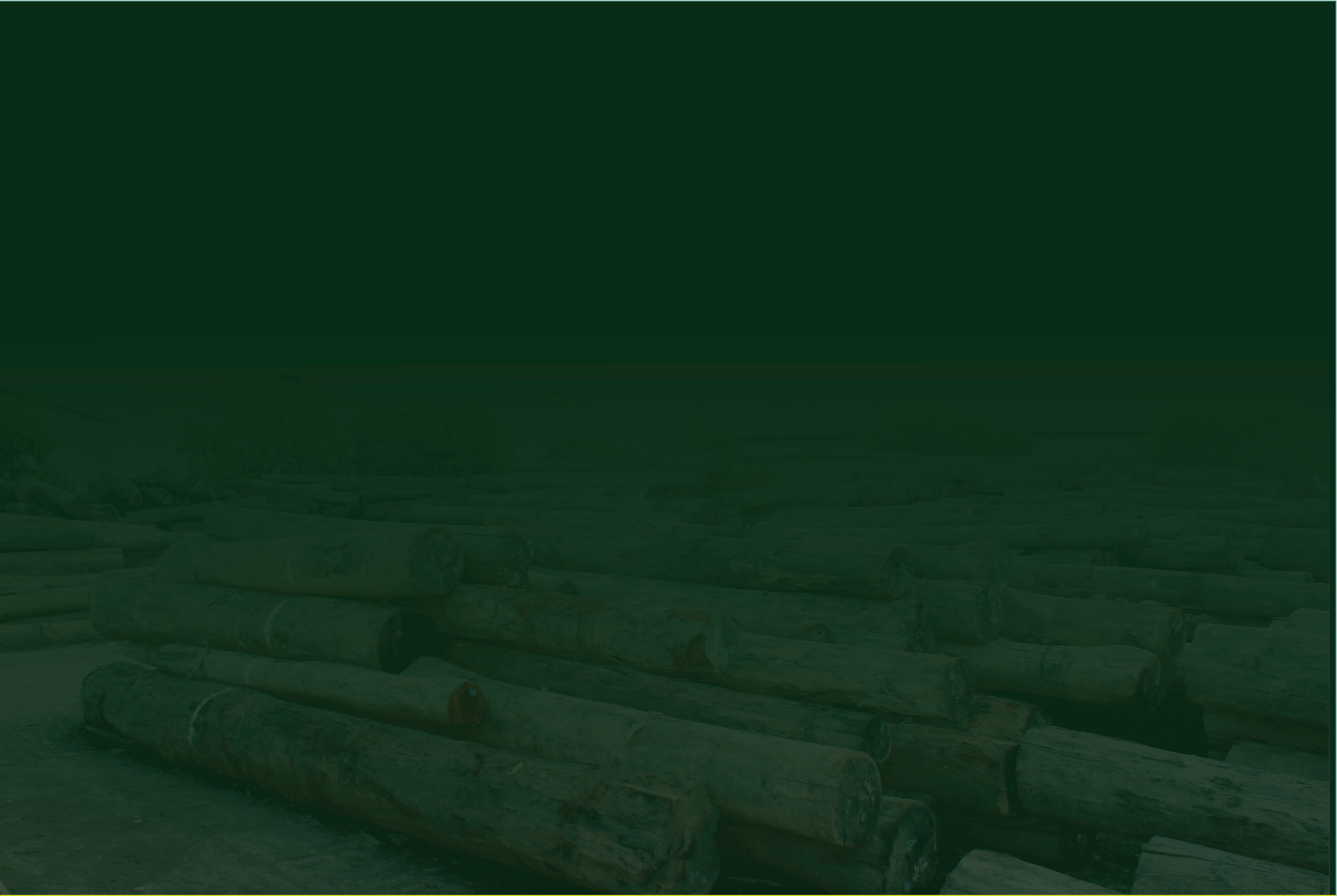Jaringan Tata Kelola Hutan. 2014. Factsheet Potret Tata Kelola Kahutanan Studi Kasus Kabupaten Lombok Timur

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