

KFCP Village Institution Startup Strategy



This report was prepared for
The Kalimantan Forests and Climate Partnership



Australia Indonesia Partnership
Kemitraan Australia Indonesia



This report was prepared in accordance with the guidelines at the time of writing, including the overview of the KFCP project below. This research was carried out in collaboration with the Governments of Australia and Indonesia, but the analysis and findings in this paper represent the views of the author/s and do not necessarily represent the views of those Governments.

Australia's International Forest Carbon Initiative is a key part of Australia's international leadership on reducing emissions from deforestation. The Initiative will support international efforts to reduce deforestation through the United Nations Framework Convention on Climate Change (UNFCCC). It aims to demonstrate that reducing emissions from deforestation and forest degradation can be part of an equitable and effective international agreement on climate change. A central element of this is the Initiative's focus on developing practical demonstration activities in our region, particularly in Indonesia and Papua New Guinea.

Indonesia and Australia are working together under the Indonesia- Australia Forest carbon Partnership (The Partnership) to support international efforts on REDD through the UNFCCC. A key focus is on practical demonstration activities to show how REDD can be included in a future global outcome on climate change. Activities under the partnership are funded through Australia's \$200 million International Forest Carbon Initiative (IFCI) administered by the Australian Department of Climate Change (DCC) and AusAID.

Australia has committed \$30 million over four years to the Kalimantan Forests and Climate partnership (KFCP). Under the KFCP, Australia and Indonesia are working together to develop and implement a large scale REDD demonstration activity in Central Kalimantan. The KFCP is the first REDD demonstration activity of its kind in Indonesia. It aims to demonstrate a credible, equitable and effective approach to reducing emissions from deforestation and forest degradation, including from the degradation of peatlands, than can inform a future global outcome on climate change. With an overall funding target of \$100 million, the KFCP aims to raise remaining funding through contributions from or coordinated actions with the private sector or other donor countries.

This report was prepared by Lorna Dowson Collins under the management of GRM. The study was developed and managed by Grahame Applegate, with support from Tim Jessup, both of KFCP. Administrative Assistance was provided by Pak Eko Pranandhita of the KFCP in Palangkaraya. The work was financed by the Indonesia- Australia Forest Carbon Partnership, managed by Neil Scotland from the IAFCP Partnership Office.

Australian Agency for International Development, Jakarta
Australian Embassy, Jl Rasuna Said Kav. C15 -16, Jakarta 12940, Indonesia
Ph (62 21) 392 4322, Fax (62-21) 392 4373



Australia Indonesia Partnership
Kemitraan Australia Indonesia



TABLE OF CONTENTS

1.	Village Institution Start up Development Strategy	1
1.1.	Background:	1
1.2.	Objectives for the Village Institution Startup Strategy:	2
1.3.	Sub-objectives for the Village Institution Startup Strategy:	2
1.4.	Approach	2
2.	Session Designs for Workshops/ Meeting	5
2.1.	Activities and Workshop Schedules	5
	Step 1: Village Governance Capacity Building	6
	Step 2: Assessment of community groups and elect village interim management group	7
	Step 3: Form village mapping team	10
	Step 4: Village Institution workshop	11
	Step 5: Village institution on the job training, work plans, and budgets	12
	Step 6: Village Institution and Group Management Training	12
3.	Joint Planning – Forest Management Unit and KFCP	13
4.	Conclusions	15

1. Village Institution Start up Development Strategy

1.1. *Background:*

The KFCP design document calls for village-based institutions that will govern and manage REDD activities, receive REDD payments, and distribute benefits within villages. Incentive payments for inputs, performance, and outcomes connected with KFCP technical interventions should be managed as far as possible through the village-based institutions.

In mid June KFCP held a village institution workshop¹ to assess the needs and options for village-based institutions and propose one or more models. This report is a follow up to this workshop and specifically discusses:

1. The strategies for developing the current village groups/institutions into an embryonic village REDD institution, which include developing strategies for cooperating with village government; and
2. Outlines the meeting agendas/session designs for meetings/workshops with the CE Team and other KFCP teams and Village Groups to organize the embryonic Village REDD institution.

In line with the KFCP design document, REDD demonstration activities such as dam construction, environmental rehabilitation, reforestation, and fire management need to be conducted in collaboration with a “village institution” that will:

- Agree to the design and plans of the interventions incorporating them into village plans;
- Manage the village roles and activities in the interventions (such as organizing village labor to construct palisades, provide seedlings, replant designated areas, etc.); and
- Manage direct and performance payments generated by REDD activities and prevention of GHG emissions.

In order to meet the KFCP technical schedules for the interventions, village institutions in two villages need to be identified and/or established immediately. Therefore the results of this activity reported below are already in the process of being implemented. Based on the experience in these two villages, the process will be refined and implemented in all villages in the KFCP work area.

¹ Frank Page, KFCP Village Institution Workshop Report, June 2010.

1.2. Objectives for the Village Institution Startup Strategy:

The objectives of the village development process will be to:

1. Design and implement the necessary development phases for a village institution that will be a major step towards developing a functioning *Badan Usaha MilikDesa* (Village Business Unit or BUMDes) that will implement KFCP/REDD activities and payment systems; and
2. Design and implement the phases for developing a *Hutan Desa* with the BUMDes (or alternative village institution) as the management unit. The *Hutan Desa*, working with the village government, will arrange village land use in line with REDD.

1.3. Sub-objectives for the Village Institution Startup Strategy:

In order to achieve the above objectives, the village development process will meet the following sub-objectives:

- Establish a “pre-BUMDes” in the form of a village management team that collaborates with KFCP in-lieu of the BUMDes before a BUMDes is officially established in each village.
- Develop the human resources needed to establish and run the village institution and administration and identifying appropriate legal enforcement instruments.
- Create an environment of co-ordination, sharing of responsibility and partnership amongst the various stakeholders, the different sectors and administrations
- Provide input, support, and integration with KPH.

These sub-objectives will result in developing a village institution that has the capacity and motivation to carry out the roles and functions necessary for implementing REDD within the village context.

1.4. Approach

The approach the CE Team will take is the tested approach that CARE has been using in its previous projects in the area. In summary, the process begins with socialization and a group capacity needs assessment, which is then followed by training and learning by doing. In this case, the next step of the development process is a participatory thematic mapping activity. This will be conducted as a learning process that provides awareness and data for inputs into the village planning process and further helps the village define its vision, mission, and roles within the community. Following the development/refinement of the village vision and mission, community members will receive training and support in implementing their roles in village and REDD development. What is important

here is that the role of the village management unit is developed as part of the overall village planning process and the REDD activities are integrated into village plans. This is to ensure that the overall effect of the REDD demonstration project will be to strengthen existing institutions and processes and not develop new institutions that disappear once the program has gone.

There are 9 basic steps for implementing this approach. These steps are defined below:

Step 1. Socialize the concept of the village institution and REDD - convince stakeholders through persuasion, extension and participatory processes. Each KFCP/REDD activity will be used as an opportunity to further raise awareness and repetitively communicate what REDD is and how it can benefit the area.

Step 2. Assess existing village groups and their current capacities

Step 3. Build village governance -

- a. Work with interim village management groups to ensure participative and democratic relationships; and
- b. Create an understanding of the roles and responsibilities of village government and BPD as a prerequisite step towards understanding roles among BUMDes Stakeholders and stakeholders of other village institutions (e.g. village govt., BPD, Staff, residents).

Step 4. Hold a workshop to set up interim ad-hoc village management teams (3 officer and members) connected to all existing groups.

Step 5. Train members in basic organizational skills required (see list from the village intuition workshop²) that include:

- a. Team/organizational building (vision, mission, structure, plans);
- b. Leadership and facilitation skills;
- c. Specific skills for leader, treasurer, and secretary;
- d. Set up basic systems – particularly financial systems;
- e. Develop “bylaws” for interim management group; and
- f. Planning, implementation, and monitoring skills.

Step 6. Conduct thematic mapping to:

- a. Describe current land use, land status, and land conditions;

² Ibid

- b. Develop basis for land use plans including REDD based on land suitability; and
- c. Identify KFCP interventions that will affect the village and their potential impacts.

Step 7. Hold joint Planning for KPH establishment of Hutan Desa

Step 8. Train in understanding and managing REDD. Topics will include:

- a. Sources of green house gas emissions
- b. Ways to prevent/reduce emissions
- c. Benefits
- d. Monitoring green house gas emissions
- e. Selling and payment mechanisms

Step 9. Joint implementation and monitoring of KFCP pilot activities.

In summary, the steps described above start from what already exists within the village and government plans. The Activities to establish REDD within the village context will be integrated into the overall official bottom up village planning process. What is essential to ensure success in this process is giving training and support to build up the capacity and human resources within the village. This will enable the community to understand the benefits of REDD and how to manage their natural resources to gain those benefits. In parallel with developing the capacity of the communities, it is important to develop stronger linkages between the village and sub district and district governments and clear understanding of each others' roles in REDD.

2. Session Designs for Workshops/ Meeting

This section describes the steps for implementing the Village Institution Startup strategy and the basic process and session designs for each step. The key six steps are:

1. Village Governance Capacity Building;
2. Assessment of community groups and elect village interim management group;
3. Form village mapping team;
4. Village Institution workshop;
5. Village Institution on the job training, work-plans and budgets; and
6. Village Institution and Group Management Training.

These steps will combine to create an interim village institution and build its capacity in order to prepare it to become an official BUMDes.

2.1. Activities and Workshop Schedules

Below is a table that illustrates the activities for the first six steps scheduled to be carried out from July to October 2010.

Step	Description
Step 1: Village Governance Capacity Building	Review/develop roles and responsibility of Village Government and BPD in village planning and development and how this relates to REDD demonstration activities Co workshop Design with BPMD - July 16-17 Hold workshop in village - July 22 -24
Step 2: Assesment of community groups and elect village interim management group	During <i>Buka Puasa Bersama</i> –Hold village meeting to discuss results of the community group assessment and the importance of the need for strong village institutions with clear roles and responsibilities to assist with REDD and village planning. Emphasize the need to work with strong village groups. Choose interim Village Management Group. (Could be from LK) August4 -5
Step 3: Form village mapping team	Form a village mapping team and workshop the approach with the members, explaining how it fits with the REDD activities and village planning August 11
Step 4: Village Institution workshop	Examine with the village the different options available to them and develop the appropriate model according to the villages informed choice Sept 27

Step	Description
Step 5: Village Institution on the job training, work-plans and budgets	Training for the development of chosen village Institution. Bookkeeping, facilitation skills, management skills etc. Early October
Step 6: Village Institution and Group Management Training	Training on strengthening village farmer groups who are the land users and will form the basis of the working groups for REDD activities. October

Step 1: Village Governance Capacity Building

The entry point in developing any village institution is to work within the village government system.

Building Village Governance is essential to build trust and strong working relationships to ensure that potential carbon funds and existing funds available from the KFCP trust fund are not high jacked by the village elite.

Specifically it is the role of Provincial and District Government to socialize and raise awareness regarding the importance of BUMDES in improving the economic wellbeing of the village. This is achieved by working through the village government to raise awareness and motivate the villagers to prepare a BUMDES for their own needs.

The district and village government is responsible for facilitating the preparation of BUMDES through training and other activities that support the development of a BUMDES. Following this preparation, the running of the BUMDES is the responsibility of the village community. Whilst the government is responsible for facilitating the development of the BUMDES, this rarely happens due to lack of funding or know how. The Community Engagement team will be responsible for bringing the District and Village Governments together and work with them using a participative facilitative approach to enable their full participation in the BUMDES development process.

The overall aim of this training is to develop the capacity of each Village Government in good governance practices to ensure that the village institution developed to manage KFCP activities will be integrated and understood within the village government system.

The topics that will be covered are:

1. Background on KFCP and the need for a village institution to work with KFCP activities;
2. Principles of Good Governance;
3. Roles and Functions of the Village Government;

4. Laws associated with Village Government and an introduction to legal drafting of essential laws; and
5. An understanding of the role of the village government in relation to KFCP activities.

Regular follow up trainings will focus on each government's role in supporting the village planning and implementation process and how this can be integrated with the potential funds coming in from REDD.

The government agency of community empowerment (*Badan Pemberdayaan Masyarakat*) is responsible for community development and capacity building. It is therefore strategic to develop a partnership with the Government's BPMD in order to:

- Continue to socialize and develop working partnerships with Government for KFCP activities;
- Develop a training module that can be used in all KFCP villages;
- Jointly deliver governance training in the village with BPMD; and
- Demonstrate effective training methodology which can be replicated.

In July the CE Team held a joint training design session with both provincial and district Village Empowerment Agencies. This took place at the office of the Village Empowerment Agency in Kapuas on July 16-17. The output of this session was a training module and an agreement from the agency to jointly deliver the training with KFCP in two KFCP villages of Mentangai Hulu and Petak Putih. The added value of having the government agency deliver the training is that the village government accepts them as the appropriate institution to be informing them about the government roles and responsibilities.

The first implementation of Village Governance Capacity Building in the villages is scheduled for July 22-24 and will be attended by village government staff and village council (Pem Des and BPD). The facilitators will be staff from the Village Empowerment Agency, representatives from Forest Management Unit, and CE Team Members.

Step 2: Assessment of community groups and elect village interim management group

The Village Institution Workshop held on the 16th of June to identify a suitable village institution to implement the REDD concluded it would be necessary to develop a Village Institution and village level working groups in order to implement the following:

1. Introducing (socializing) the plans for each of the technical teams in the villages. Interventions planned concurrently can be introduced and organized under one process.

2. Negotiating the location, benefits, and incentives for each of the interventions. Negotiations and contracts with villages can be done as a single activity covering a number of interventions so that agreements are consistent (in content and contractual format) and coordinated.
3. Developing the thematic map showing village land use/claims (actual and planned), areas at risk for fire, areas affected by canal blocking, and areas targeted for reforestation, etc.

Each of these activities needs to be worked through the “village institution” and their working groups.

Currently, the CE team is carrying out an assessment of existing village groups to see if any of these could form the basis as an embryonic group, which will be developed into a BUMDES.

Because of the urgent need to start to implement activities, the CE Team has accepted the suggestion to form an ad hoc Village Management Group to carry out the above activities as a precursor to the BUMDes.

The performance of the ad hoc Management Group will be reviewed during follow up workshops from the Village Group Assessment. This group (if agreed to by the village) may either continue and be trained to manage a BUMDES. If the village does not agree, another village institution may be chosen to be developed into a BUMDES.

A village meeting will be held to socialize an understanding of the need for a village institution and how it will work with the village government and other groups to implement REDD activities. This will include how REDD can fit into their overall village planning and generate future village funds for implementing their plans. This meeting will also feedback the results of the Village institution assessment to the community and facilitate the community to choose an ad hoc village management group.

One specific output of this village meeting will be to socialize the need for a village institution to manage the REDD activities, specifically:

1. To coordinate and implement REDD activities within the village area.
2. To receive, save, distribute and report on monies.
3. To Monitor and evaluate field activities carried out to reduce emissions.
4. To represent the village in working with 3rd parties.

Once the role, tasks, and desired characteristics of a well-functioning village institution and minimum standards necessary for a functioning REDD payment mechanism have been clarified, there will be the opportunity to elect an ad hoc village management group to work with the CE facilitator and the Village Government based on the above criteria as a precursor to setting up a BUMDES.

The first step of this process will be to hold a design and training workshop with CE Staff, technical team leaders of reforestation and canal blocking, trainers and if possible representative from KPH to prepare for this workshop.

During this workshop, the group will do the following:

1. Design and simulate of the village meeting;
2. Clarify what is to be mapped (the themes such as land ownership, land use, fire risks areas, flood risk areas, areas for reforestation, where canals will be blocked, etc.) And when and by who and how. The mapping results will be shared and analyzed during regular village meetings; and
3. Develop and practice process for developing community teams to collaborate and partner with KFCP.

The output for this meeting will be a detailed design for process of organizing and implementing the thematic mapping described below. In addition, each CE facilitator and technical leader will be able to explain and enact their role in this process.

This training is scheduled to be held in the CARE office before July 30, if possible.

The material needed for this training is communication/presentations on REDD and KFCP describing how KFCP will implement its interventions, the potential benefit to the communities, and the need for a Village Institution to manage village level activities. (Yanti and Lorna are to coordinate and prepare this before the workshop).

The second part of this step will be to hold the workshops in the villages.

Each village selected for involvement in the Project will be carefully informed about KFCP's aim for a community-based approach to REDD demonstration in the area, the scope of the Programs involvement in the village and how this is likely to positively impact the community.

This will start with discussions with village officials, and then an open meeting with everyone in the village. At the end of the village meeting, after a careful explanation of the obligations required from the village, the village may decide if it is willing to join in the Program. If they agree to join the program, an agreement will be signed between the program and the village that outlines the obligations and requirements between both parties.

If the village decides to join the program, there will be an election to choose an ad hoc Village Management Group and working groups to implement the thematic mapping and any other activities that are in urgent need of being implemented in that village.

The community will select via a secret ballot three individuals, at least one of whom must be a woman, to be responsible for working with the program and

managing the groups implementing program-related activities in the coming year. This group will work with existing groups and manage the village roles and activities in the interventions (such as organizing village labor to construct palisades, provide seedlings, replant designated areas, etc.), and manage direct and performance payments.

One person will be head of the group, another will act as treasurer, and the third will be the secretary. All three will receive training on their duties and responsibilities shortly after their selection, including participatory consultation and facilitation skills. The treasurer will require specialized training on basic accounting and bookkeeping. The Management Group will work very closely with the existing village government and leadership. A schedule will be discussed and agreed upon for the first step in carrying out thematic mapping which can later be used as part of their village participatory planning process.

To initiate the thematic mapping, two days of training will be held for a group of ten villagers (three from the village management group) and the village government – a balanced mix of men and women – who will act as community guides, mobilizers, and help mates during the process of thematic mapping.

Step 3: Form village mapping team

The village mapping team and CE Team will develop the thematic map design showing village land use/claims (actual and planned), areas at risk for fire, areas affected by canal blocking, and areas targeted for reforestation, etc. The village mapping team, with facilitation from KFCP, will then conduct land tenure analysis, land suitability analysis and village spatial planning as a key part of the community-driven approach for the implementation of REDD activities. Issues and questions related to the rehabilitation of the environment would be included in this step, such as reforestation, fire management, and water management. Information needed urgently such as for reforestation and canal blocking can be mapped first, followed by collecting information to complete the products described below.

The products of the land mapping, land suitability, and spatial planning work will become important products for overall village planning. These products are:

- **A Basic Village Map** – Showing houses, community land and facilities, land use and land conditions, previously burnt areas, areas at risk of flooding, land ownership, canals and other water courses, roads and access, topography (not accurate), boundaries.
- **An Integrated Land Suitability Map** – Showing potential and most appropriate land use based on a variety of bio-physical and socio-economic factors.
- **A Village Spatial Plan** – Showing the overall community development vision including community facilities, new housing, services, markets, transport and overall future land use, ownership, and boundaries.

This step will be implemented in two phases. The first phase will be a one-day workshop with internal staff (CE Staff, technical team leaders of reforestation and canal blocking, trainer and if possible representative from KPH) to ensure the KFCP team all share the same understanding and know how to implement the thematic mapping meeting in village.

Training in thematic mapping in two villages will follow the preparation workshop. This training will train the Thematic Mapping Working Group in collecting the data needed to provide the three products listed above and develop the work schedule for the thematic mapping. After the two-day workshop, the participants will conduct the thematic mapping.

Step 4: Village Institution workshop

The CE Team has been carrying out an assessment of existing village institutions to identify all farmer groups, cooperatives, and other groups and to determine their current levels of activity and competence. These active groups can potentially form the basis of working groups coordinated by the village management group.

The results of this assessment will become the source of information to feedback to village during the village institution workshop in order to jointly plan steps to developing a successful village institution. This will also provide a baseline for identifying gaps and what capacity building/training or the need for development for new institutions such as *Hutan Desa* and BUMDES are needed.

The first workshop will facilitate the community in choosing to participate in KFCP and decide on which group to develop in into a BUMDes. In this three part workshop, the participants (local government staff, village council members, District Village Empowerment Agency staff, Sub-village Heads, RTs, informal village leaders, CE Team and Trainers) will discuss the roles and functions required for the REDD activities. In part two, the facilitators, working with the Village Head and Village Council (*KepalaDesa and BPMD*) will introduce the BUMDES. Finally, in part three, the participants, using data from the village institution assessment, needs of REDD, and requirements for the BUMDES, will choose:

- a) To develop a BUMDES or choose another type of institution for their village;
- b) To adopt an existing institution to become the BUMDES or its equivalent;
- c) To propose a new institution, that will be developed into a BUMDES or its equivalent.

Once the community has decided on which group to develop into a BUMDes, follow up workshops and trainings will be planned for development and implementation of the Village institutions.

Step 5: Village institution on the job training, work plans, and budgets

Informal on the job training with the chosen Village Institution will be carried out by the CE facilitator as they work together to jointly design plans, budgets and payment schedules. In this learning by doing approach the CE Team takes a facilitation approach to develop and transfer learnings and skills to the village institution members. In this way the village institution will develop the initial steps in managing activities and a budget.

Step 6: Village Institution and Group Management Training

This training will be carried out for the new village institution and existing farmer groups as they are the land users and working with them and through them is necessary for the successful implementation of REDD.

This training will train the participants in basic organizational skills required to establish a strong team and manage the tasks of that team. Key skills that will be trained include:

- a) Team/organizational building (vision, mission, structure, plans)
- b) Leadership and facilitation skills
- c) Specific skills for leader, treasurer, and secretary
- d) Set up basic systems – particularly financial systems
- e) Develop “bylaws” for management group
- f) Planning, implementation, and monitoring skills

The training will be conducted in two phases.

Phase one will be a one-day joint design session to design the training session with government extension workers and representatives for the Forest Management Unit. This will build relationships and invaluable partnerships in the field as well as ensuring continued support for the skills trained from these agencies.

Phase two will be implementing the training in the villages. The participants will be group leaders and other key group members as identified in the village institution assessment and development process.

3. Joint Planning – Forest Management Unit and KFCP

The village institution needs to work with a government organization that will provide overall coordination for REDD and forest management. Based on the analysis from the Village Institution Workshop, KFCP chose the Forest Management Unit (KPH) as the best vehicle for this. Forest Management Units can be geared towards this role of sustainable forest management and enhancing economic value of forest utilization through REDD.

A Forest Management Unit is responsible for

- Planning;
- Implementation and monitoring;
- Forest protection;
- Incorporating community needs;
- Attracting investment and creating employment; and
- Incorporating local, national and global issues such as *climate change mitigation into the management of the forest.*

The objectives for the Forest Management are:

- Setting the administrative and operational basis for Social Forestry Management
- Facilitating and ensuring SFM
- Reducing deforestation and forest degradation
- Increasing social, economic, ecological and climatic benefits from forest management

Given these responsibilities and objectives, a Forest Management Unit should be an appropriate partner for KFCP to work with in establishing REDD. The Forest Management Unit can work with KFCP to a) jointly develop the human resources to establish and run the village institution and administration, b) identify appropriate legal enforcement instruments, and c) establish an environment of coordination, sharing of responsibility and partnership amongst the various stakeholders, the different sectors and administrations

However, these roles need to be put in context of the current forestry establishment (administrations, actors, owners, etc.), which is generally very conservative and closed, with a strong tendency to defend its roles, prerogatives and privileges. Top-down planning and implementation still remain prevalent within the forestry establishment, while bottom-up approaches in many cases are far from being implemented.

It is clear that acceptance of bottom up planning by the concerned parties and the stakeholders of the Forestry Management Unit is a crucial, if not an essential condition in determining the success of the REDD acceptance and implementation.

Fortunately, the Forest Management Unit has not been established yet for the KFCP work area. In addition, human resource and governance capacity are low at both the village level and within the higher levels of government.

This timing creates a wonderful opportunity for KFCP to build a strong partnership and relationship with Forestry Management Unit by working with them to shape and develop their start up process. Playing the role of facilitator for the Forestry Management Unit, KFCP can utilize and model participatory processes in order to help them develop the Unit, understand the potential of REDD, and demonstrate the importance of bottom up, collaborative planning.

The key step to developing a strong partnership with the District and the Forestry Management Unit is to develop a shared vision and plans with them. Developing a shared vision and plans with district needs to include all the District teams that are stakeholders in the KFCP program. This includes the Forestry Management Unit, if they are open to working with KFCP.

Therefore, as the process for developing the Forestry Management Unit begins, KFCP can negotiate with the key stakeholders of the Forest Management Unit to facilitate a strategic planning workshop for developing the Forest Management Unit that covers the Mentangai area.

This workshop would develop the following:

- A vision for the Forestry Management Unit that not only includes its role and functions, but also how it works with and responds to local communities;
- Implementation strategies and plans to develop the Forestry Management Unit; and
- Human resource development plans for Forestry Management Unit staff and key stakeholders in local governments and village groups.

Such a workshop would enable KFCP to establish a collaborative role in developing the human resources for the establishment and sustainability of the Forestry Management Unit.

4. Summary and Conclusions

This report outlines two strategies developed by the Institutional Development Consultant and CE Team. The first is the strategy and workshop agendas to address the urgent need to identify and develop village institutions that can partner with the KFCP immediately and then develop into a fully- fledged BUMDes. The second outlines initial steps for joint planning with local governments for the development of a Forest Management Unit for that covers the KFCP work area. For those villages choosing to partner with KFCP, the initial step in the village institution development strategy will be will be the creation of an ad hoc interim village management group to implementing urgent KFCP interventions. As these interventions begin implementation, the villages will assess its own institutions and plan out its own path for developing its own BUMDes.

The strategy recommended for BUMDes development is based on the tested approach CARE has used previously in the project area. The 6 steps of the strategy and planned dates for implementation are presented below:

Step 1: Village Governance Capacity Building

- Review/develop roles and responsibility of Village Government and BPD (village parliament) in village planning and development and how this relates to REDD demonstration activities (Co workshop Design with the Community Empowerment Agency (BPMD) - July 16-17 and hold workshop in village - July 22 -24, 2010)

Step 2: Assessment of community groups and elect village interim management group

- During *Buka Puasa Bersama* –Hold village meeting to discuss results of the community group assessment and the importance of the need for strong village institutions with clear roles and responsibilities to assist with REDD and village planning. Emphasize the need to work with strong village groups. Choose interim Village Management Group. (August 2010)

Step 3: Form village mapping teams and implement thematic mapping

- Form a village mapping team and workshop the approach with the members, explaining how it fits with the REDD activities and village planning and developing the design and plans for thematic mapping (August, 2010)

Step 4: Village Institution workshop

- Examine with the village the different options available to them and develop the appropriate model according to the villages informed choice (Sept 27, 2010)

Step 5: Village Institution on the job training, work-plans and budgets

- Training for the development of chosen village Institution including skills in bookkeeping, facilitation, management, etc. (Early October 2010)

Step 6: Village Institution and Group Management Training

- Training on strengthening the new village institution and village farmer groups who will form the basis of the working groups for REDD activities. Topics could include organizational building, leadership and facilitation, organizational structures and rules, and project cycle implementation. (October 2010)

The ultimate goal of this process is to integrate REDD planning and institutions with official Government planning at the village level. To achieve this, it is key that the process be implemented on collaboration with key government agencies including the Community Empowerment Agency (BPMD), sub-district governments, village governments, and other key agencies. This means that Provincial and District Governments should take ownership of socializing the BUMDes and the District and Village Governments take responsibility for facilitating the development and training required to build the capacity of local government and implement the BUMDes. The CE Team's role will be to bring the District and Village Governments together in this process and provide capacity building technical and training support to all parties involved in the process.

Therefore, local government and the CE Team will need to work together to develop the trainings and workshop for alls Steps, but particularly for Steps 1, 5, and 6. The capacity building trainings will be take place over regular intervals to provide all the necessary organizational skills needed to run a BUMDES, such as creating a Business Plan and recruiting the people with the skills to run the different identified business departments.

The second strategy discussed outlines the recommended approach of KFCP to working toward the development of the Forest Management Unit (KHP). The goal of this approach is to work with the government to create a Forest Management Unit that works in a two-way partnership with villages within the Forestry Unit.

In order to achieve this, it is recommended that KFCP develop a strong partnership with the District and the Forestry Management Unit from its inception. In this partnership, the KFCP should play the role of facilitator for the Forestry Management Unit. As the facilitator of the process, KFCP can utilize and model participatory processes in order to help develop the Unit, develop understanding of the potential of REDD, and demonstrate both the importance of bottom up, collaborative planning and participatory methodology.

The key step to developing a strong partnership with the District and the Forestry Management Unit is to develop a shared vision and plans with them. Therefore, it is recommended that KFCP offer/negotiate to facilitate a strategic planning

workshop with all the pertinent district teams for developing the Forest Management Unit that covers the Mentangai area.

This workshop would develop the following:

- A vision for the Forestry Management Unit that not only includes its role and functions, but also how it works with and responds to local communities;
- Implementation strategies and plans to develop the Forestry Management Unit; and
- Human resource development plans for Forestry Management Unit staff and key stakeholders in local governments and village groups.

Such a workshop would enable KFCP to establish a collaborative role in developing the human resources for the establishment and sustainability of the Forestry Management Unit.

The work done by the consultant and CE Team to develop and lay out these two strategies was implemented almost immediately upon completion of the meeting. The results of this process lay a “road map” for the CE Team and KFCP to develop a strong village institution for REDD. As with all efforts in community development, the process will not be as smooth as developed here. However, with flexibility and the provision of the appropriate amount of training and facilitation resources, these strategies will provide strong guidance to the CE Team and KFCP in the development of the village institutions.