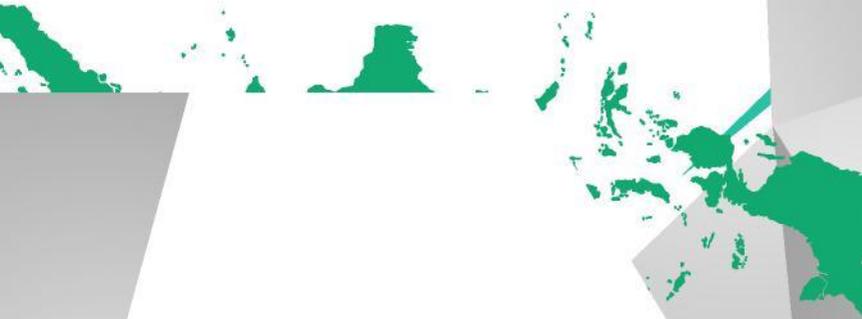




# NATIONAL GUIDELINE

TERPERCAYA  
DATA COLLECTION  
AND STUDY ANALYSIS



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# 1. Introduction

## 1.1. Background

Terpercaya Study is an initiative managed by the Directorate of Food and Agriculture Ministry of National Development Planning/ National Development Agency, in collaboration with the European Forest Institute and Yayasan Inobu to achieve the development agenda in the 2020-2024 National Medium-Term Development Plan (RPJMN), especially in the implementation of the Priority Program (PP) in Increasing Value Added, Employment, Real Sector Investment, and Industrialization - Priority Activities (KP) in Improvement of Upstream-Downstream Integrated Agricultural, Maritime, and Non-Agro-Based Processing Industry. In line with the government's agenda, the Terpercaya Study is expected to provide guideline for planning and evaluating a region's performance in implementing sustainability principles in producing plantation commodities.

Terpercaya Study is developed on a jurisdictional approach at the district level. This is in line with the division of agricultural affairs to local governments at the district level in Law Number 23 of 2014 on Local Government. A jurisdictional approach is a type of landscape approach that uses administrative (jurisdictional) boundaries, especially sub-national, to define the scope of action, activity, and stakeholder engagement. The jurisdictional approach combines and creates synergies between government authorities and the capabilities or resources of various parties to achieve common goals. Through a collaborative process involving a multi-stakeholder advisory board consisting of elements from government, civil society, and the business community, 22 Terpercaya indicators are created, which are developed pursuant to Indonesian laws and regulations and aligned with international commitments, such as the Sustainable Development Goals (SDGs) and the Paris Agreement.



## 1.2. A brief explanation of Guideline contents

This guideline basically contains an explanation of the 22 Terpercaya indicators to evaluate the performance of local governments in achieving sustainability. A comprehensive explanation for each indicator is described in Section 2.1, which consists of 3 parts, namely a) the correlation of each indicator with the sustainable development goal, b) the benefits of the indicators, and c) the required methodology and data for the indicators. Section 2.2. presents a compilation of the data presence identification needed to measure the current Terpercaya indicators.

## 2.1. Data Description

### 2.1.1. Indicator 1: Protection for permanent forest

#### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt loss of biodiversity

Target 15.1 By 2020, ensure the preservation, restoration, and sustainable use of terrestrial and inland aquatic ecosystems and their environmental services, in particular forest, wetland, mountainous and dryland ecosystems, in line with obligations under international treaties

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## **B. Benefits**

This indicator is used to monitor the extent of the government's commitment to safeguarding areas that should be protected and maintained in terms of forest cover, both at the policy and factual levels. This is because the plantation sector is often associated with deforestation and forest degradation. Therefore, with this indicator, it is expected that the government will not only pay attention to aspects of plantation productivity but also ensure that productivity is achieved in sustainable ways.

Through this indicator, it is expected that local governments will have preliminary information to evaluate various activities and policies in their regions that have direct or indirect impact on deforestation and forest degradation. For plantation product buyers, this information can be used to assess a region's commitment to reducing deforestation.

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## **C. Methodology & Data**

Pursuant to the prevailing laws and regulations, this indicator uses a calculation based on the area that shall at least be protected and maintained, namely forest with conservation and protection functions. In addition, considering that the identification of the two types of forest is also carried out through the Indicative Moratorium Map (PIPIB instrument), the calculation of this indicator includes protected and conservation forests located in forest areas and a moratorium map (PIPIB) covering areas inside or outside the forest areas (area for other purposes).

This indicator is measured by calculating the portion of conservation areas or protected areas above the total district area based on legal and policy instruments, namely the district spatial plan (RTRWK). Before the Omnibus/Job Creation Law was passed, sub-national governments were

required to ensure 30% of its area would be designated as protected forest. With the stipulation of the Omnibus/Job Creation Law, sub-national governments are no longer required to ensure that 30% of their area is designated as protected forest. Since 30% can no longer be used as a reference, another way that can be done to measure permanent forest protection is to assess whether the regional spatial plan includes protection of protected forests and conservation forests described in the forestry map and moratorium map (PIPIB).

This indicator may consist of policy indicators and implementation indicators as described below.

**Policy indicator** measures the total area maintained pursuant to regulations and policies as protected/conservation forest, regardless of existing land use in the field. The basic indicator can be described as equation 1, which is characterized by:

$$\text{Equation 1 : } \mathbf{HP}_i (\%) = \frac{(\mathbf{HL}_i + \mathbf{HK}_i + \mathbf{M}_i)}{\mathbf{Area}_i} \times 100\%$$

Where,

**$HL_i$**  : the total area of Protected Forest in district  $i$  (hectares)

**$HK_i$**  : the total area of Conservation Forest in district  $i$   
(hectares)

**$M_i$**  : total area under the moratorium of new licenses (PIPIB)  
in district  $i$  (hectares)

**$Area_i$**  : the total area of Protected Forest and Conservation Forest in District  $i$  Spatial Plan (RTRW) (hectares)

Analysis can be carried out by comparing layers for protected and conservation forest within the Forest Area ( $HL_i$ ,  $HK_i$ ) and an indicative map of the moratorium of new licenses for forest land use ( $M_i$ ). The data required for this analysis are the Forest Area Map, the Moratorium Indicative Map of New Licenses/PIPIB and the District Spatial Plan (RTRWK):

1. Forest Area Map, obtained from the Directorate of Forest Resources Inventory and Monitoring, Ministry of Environment and Forestry.
2. The PIPPIB map can be downloaded from the public domain of the Directorate General of Forestry Planning and Environmental Management, Ministry of Environment and Forestry. The map is in the form of a PDF (image) whose data is updated every 6 months. The most recent data published at the time of this report was the moratorium map for the period December 2019. Because the data is in the form of a PDF, the public needs to do a digitization process before it can be used for analysis. For the purpose of Terpercaya Analysis, data is provided directly by the Ministry of Environment and Forestry to Bappenas.
3. The District Spatial Plan (RTRWK) map can be accessed through the Gistaru website, which is managed by the Ministry of Agrarian Affairs and Spatial Planning (KemenATR/BPN). Each spatial plan map is valid for 20 years, although revisions can be made in between. For provincial and district levels, RTRWK maps can also be collected from the Regional Development Planning Agency (Bappeda) in each administration. Provincial and district spatial plan maps and spatial data are attached to the Regional Regulations on Spatial Plans for each administrative region.

**Implementation indicator** aims to capture the factual situation in areas that should be protected. This indicator will examine the land use in conservation or protected areas. If measured over a certain period, this indicator can provide information about the deforestation that has occurred in the area or the restoration efforts that have been implemented. Performance indicators, can be described by equation 2:

$$\text{Equation 2 : } FC.HP_i (\%) = \frac{(FC.HL_i + FC.HK_i + FC.M_i)}{Area_i} \times 100\%$$

Where,

**$FC.HL_i$**  : the total area of Protected Forest's forest cover in district  $i$  (hectares)

**$FC.HK_i$**  : the total area of Conservation Forest's forest cover in district  $i$  (hectares)

**$FC.M_i$**  : the total area under the moratorium of new license (PIPPIB) in district  $i$  (hectares)

**$Area_i$**  : the total area of Protected forest and Conservation Forest in the District  $i$  Spatial Plan (RTRW) (hectares)

Analysis of the implementation indicator can be performed by overlaying a forest cover map with a forest classification map ( $FC.HL_i$ ,  $FC.HK_i$ ) with a moratorium indicative map of new licenses for forest land use ( $M_i$ ). The data required for this analysis are:

1. Remote sensing data of forest cover or local community reporting. Community or local reporting data is used to identify conditions in the field. For remote sensing, spatial data can be collected from the public domain, remote sensing catalogs from the Deputy for Remote Sensing, the National Aeronautics and Space Agency/LAPAN. The data to be used are sourced from SPOT 6/7 and Landsat 8 images with a resolution of 15km. These data are updated every one to two weeks.
2. PIPPIB Map, see policy indicator point 2.
3. Map of District spatial plan (see policy indicator point 3).

## 2.1.2. Indicator 2: Protection for areas essential for ecological services

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt loss of biodiversity



Target 15.1 By 2020, ensure the preservation of restoration and sustainable use of terrestrial and inland aquatic ecosystems and their environmental services, in particular forest, wetland, mountainous and dryland ecosystems, in line with obligations under international treaties.

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### B. Benefits

This indicator is used to monitor the extent of the government's commitment to safeguarding areas that should be protected and maintained in terms of forest cover, both at the policy level and factual level. This is because the plantation sector is often associated with deforestation and forest degradation. Therefore, with this indicator, it is expected that the government will not only pay attention to aspects of plantation productivity but also ensure that productivity is achieved in sustainable ways.

Through this indicator, it is expected that local governments will have preliminary information to evaluate various activities and policies in their regions that have direct or indirect impact on deforestation and forest degradation. For buyers of plantation products, this information can be used to assess a region's commitment to reducing deforestation.

### c. Methodology & Data

This indicator is assessed by calculating the percentage of the total area designated with a protection function in the spatial plan out of the total area of the essential ecosystem area (KEE) within the district. Included in KEE's term are High Conservation Value (HCV) Areas. Ideally, indicators should be based on a High Conservation Value (HCV) assessment for each district. However, there are only a few districts that carry out such an assessment, therefore national data that have identified the Essential Ecosystem Areas are used. Furthermore, this indicator assesses the extent to which local governments have demonstrated their commitment to protecting ecologically important areas by issuing local regulations, such as by developing spatial planning regulations or related regional regulations. The necessary data to assess the indicators is available in the national database of the line ministries.

Indicator 2,  $ESP_i$  (%), is estimated by the percentage of the total area designated with a protective function in the spatial plan of the total area of the essential ecosystem zone (KEE) within district  $i$ , which can be described by:

$$\text{Equation 3 : } ESP_i (\%) = \frac{(RTRWL_i)}{KEE_i} \times 100\%$$

Where,

**$RTRWL_i$**  : total area of district spatial plan (RTRWK) with protection function in district  $i$  (hectares)

**$KEE_i$**  : the total area of the Essential Ecosystem Area in district  $i$  (hectares)

Data required for analysis:

1. Map of District spatial plan (see indicator 1);
2. Map of Essential Ecosystem Areas. The data was produced by the Ministry of Environment and Forestry

## 2.1.3. Indicator 3: Fire prevention

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 13. Take urgent action to combat climate change and its impacts

Target 13.2 Integrate actions to anticipate climate change into national policies, strategies, and plans



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### B. Benefits

This indicator is used to assess the government's performance in reducing the level of forest and land fires in relation to the causes of deforestation and forest degradation and emitters of greenhouse gases. Plantation clearing practices are often linked to forest and land fires. This indicator has an effect in measuring the development of forest and land fire incidents each year. Forest and land fires cause significant loss of habitat and biodiversity, produce carbon dioxide emissions that cause climate change and disrupt environmental sustainability. The decrease in the number of burned land shows the success of the government in various related policies.

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### C. Methodology and Data

The indicator is estimated using the amount of reduction in fire area (in hectares) every year,  $\Delta BA_{it}(\text{count})$ , during both

extreme and normal years of the base year, which can be described as:

$$\text{Equation 4 : } \Delta BA_{it} = BA_{ib+t} - BA_{ib}$$

Where,

$BA_{ib}$  : Fire area in district i in base year b (hectares)

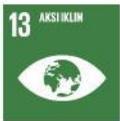
$BA_{ib+t}$  : Fire area in district i in year b + 1 (hectares)

The data required for this analysis is:

1. Map of forest and land fires. This data would be obtained from the Ministry of Environment and Forestry, Directorate of Forest and Land Fire Control.

## 2.1.4. Indicator 4: Protection for peatlands

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 13. Take urgent action to combat climate change and its impacts

Target 13.2 Integrate actions to anticipate climate change into national policies, strategies and plans



SDG 15 Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt loss of biodiversity

Target 15.1 By 2020, ensure the preservation of restoration and sustainable use of terrestrial and inland aquatic ecosystems and their environmental services, in particular

forest, wetland, mountainous and dryland ecosystems, in line with obligations under international treaties.

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## B. Benefits

This indicator is used to monitor local government efforts to protect peatlands. Peatlands are considered important areas for ecological services, but they are excluded because they also store more carbon than mineral soils and are linked to the practice of plantation land clearing in Indonesia, which is often linked to forest and land fires. Therefore, this indicator is also related to Indonesia's commitment to mitigating climate change. Not protecting peatlands as protected areas at the policy level has the potential to facilitate the occurrence of fires on these lands.

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## C. Methodology and Data

The indicator is estimated by calculating the proportion of total peatland area protected under three schemes/designations (peatland moratorium, protected forest, and conservation forest under spatial planning) out of the total area of peatland in the district. These calculations  $PPeat_i$  (%), can be described by:

$$\text{Equation 5 : } PPeat_i (\%) = \frac{(Peat\_HL_i + Peat\_HK_i + Peat\_M_i)}{Peat\_Area_i} \times 100\%$$

Where,

**$Peat\_HL_i$**  : the total area of peatland in protected forest in district  $i$  (hectares)

**$Peat\_HK_i$**  : the total area of peatland in conservation forest in district  $i$  (hectares)

**Peat<sub>Mi</sub>** : the total area of peatland under the moratorium of new licenses (PIPIB) in the district i (hectares)

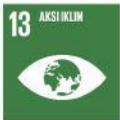
**Peat<sub>Areai</sub>** : the total area of peatland with a protected function in the district i (hectares)

The data required for this analysis are:

1. PIPPIB Map (see indicator 1);
2. Map of District Spatial Plan (see indicator 1);
3. Peatland Hydrological Unit/KHG Map. Spatial data and information can be downloaded from the public domain of the Ministry of Environment and Forestry. The KHG map covers the entire peatland areas in Indonesia.

## 2.1.5. Indicator 5: Climate change mitigation

### A. Correlation with Indonesia's Sustainable Development Goals (SDGs)



SDG 13. Take urgent action to combat climate change and its impacts

Target 13.2 Integrate actions to anticipate climate change into national policies, strategies, and plans

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### B. Benefits

This indicator is used to monitor the level of carbon dioxide emissions produced by the district from the forest and land sector, with proxies for deforestation and forest degradation compared with reference emissions. The plantation sector is often associated with deforestation and forest degradation. Therefore, with this indicator, it is expected that local governments will not only pay attention

to plantation productivity aspect but also ensure that productivity is achieved in a sustainable manner.

Knowing this figure can provide initial information for local governments to evaluate various activities and policies in their regions that have a direct or indirect impact on reduction or increase of carbon dioxide emissions from deforestation and forest degradation. For plantation product buyers, this information can be used to assess a region's commitment to climate change mitigation.

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### c. Methodology and Data

Indicator 5 is estimated by the percentage of emissions from annual deforestation against FREL, *EDefREL Ratio<sub>it</sub>* (%), in district *i* in year *t*, which is described by:

$$\text{Equation 6 : } EDefREL \text{ Ratio}_{it} = \frac{EDefor_{it}}{FREL_{ib}} \times 100\%$$

Where,

***EDefor<sub>it</sub>*** : total annual emissions from deforestation and forest degradation in *i* in year *t* (ton CO<sub>2</sub>)

***FREL<sub>ib</sub>*** : Forest Reference Emissions Level for Deforestation and Degradation (FREL) in district *i* (ton CO<sub>2</sub>) as stipulated by the Ministry of Environment and Forestry.

The data required for this analysis are:

1. District's FREL, *FREL<sub>ib</sub>*, in the context of Decree 1/CP.16 paragraph 70 of the UNFCCC. Currently the referred data is not available, the Ministry of Environment and Forestry has only set the FREL up to the provincial level.
2. Emissions from deforestation and forest degradation, *EDefor<sub>it</sub>*, can be estimated by first carrying out an analysis of deforestation and forest degradation from the land cover data from the Ministry of Environment and Forestry.

The data required for this analysis are:

1. District level FREL. Currently, there are only provincial level FREL data (see Decision Letter of the Director General of Climate Change Control Number 8/2019 on the Determination of Sub-national (Provincial) FRELs. Efforts are being made to compile district-level FRELs with the same methodology as the Provincial FRELs through a mechanism that begins with focus group discussions (FGDs). FGDs at the national level are needed to find common understanding and agreement on the methodology to lower the FREL target from the province to the district level. In the FGDs, the following questions can be used to guide the discussion:
  - What options exist for deriving FREL from province to district level?
  - Have any district government conducted GHG inventories with contributions from each sector and reported them?

The answers to the above questions could point to potential methods of deriving FREL that regional governments may apply to determine their FREL target. Before the FGDs, it is necessary to develop a model for calculating district-level FRELs. The most feasible would be a model based on a method reflecting the provincial-level FRELs. This model is then presented as an option in the FGD.

2. Data on emissions from deforestation and forest degradation. This data can be estimated by first analyzing deforestation and forest degradation from land cover data from the Ministry of Environment and Forestry. Subsequently, emission can be calculated using the emission conversion value based on the origin of the forest cover type. The method used to estimate emissions is the same as the one that determine the sub-national FREL.

## 2.1.6. Indicator 6: Sustainable production forest management

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt loss of biodiversity



Target 15.1 By 2020, ensure the preservation of restoration and sustainable use of terrestrial and inland aquatic ecosystems and their environmental services, in particular forest, wetland, mountainous and dryland ecosystems, in line with obligations under international treaties

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### B. Benefits

This indicator is used to monitor the number of production forest concessions that already have Utilization of Timber Forest Product License (IUPPHK) and have sustainable certification in both the FSC and Sustainable Production Forest Management (PHPL) schemes. Certification ensures that concessions meet the criteria for sustainable forest management so as to prevent various environmental damages that may be caused directly or indirectly from practices that are not oriented towards sustainability, such as illegal logging and destruction of protected biodiversity. With this indicator, data show that plantation products that are released from one jurisdiction do not result in illegal logging in that jurisdiction.

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### c. Methodology and Data

The indicator is assessed by calculating the percentage of production forest that is managed sustainably against the total production forest in district *i*, **SHP Ratio<sub>i</sub>** (%), which is described by:

$$\text{Equation 7 : } \mathbf{SHP\ Ratio}_i (\%) = \frac{\mathbf{SForcon}_i \times 100\%}{\mathbf{HP}_i}$$

Where,

**SForcon<sub>i</sub>** : total production forest concessions that have obtained sustainability certification (PHPL and FSC) in district *i* (hectares)

**HP<sub>i</sub>** : total production forest in district *i* (hectares)

For this analysis, the data required are:

1. Map of production forest concessions that can be accessed from the website of the Ministry of Environment and Forestry, which is currently available to the public in PDF form (image), which still requires a digitization process before it can be used for analysis. For the purpose of Terpercaya Analysis, data is provided directly by the Directorate of Inventory and Monitoring of Forest Resources, Ministry of Environment and Forestry to Bappenas.
2. List of production forest concessions that have been PHPL or FSC certified in each province/district, **SForcon<sub>i</sub>**. PHPL data is collected from the PHPL official website, Ministry of Environment and Forestry.

## 2.1.7. Indicator 7: Water and air pollution control

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 12 Ensure sustainable production and consumption patterns

Target 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.



### B. Benefits

This indicator is used to look at water and air quality in a jurisdiction to ensure that plantation activities create no adverse environmental impacts to local communities. This indicator measures the level of water and air pollution in a district compared to the safety/healthy standard in accordance with the Decision Letter of the Minister of Environment No. 45 of 1997 on Air Pollution Standard Index and Decision Letter of the Minister of Environment Number 115 of 2003 on Guidelines for Determining Water Quality Status.

Deforestation, land clearing, and the use of chemicals for various land-based activities as well as post-production activities can reduce the quality of river water and air to below standard of being healthy and suitable for consumption. For example, river water is still a source of water to meet the daily needs of people in several regions in Indonesia. Although waste from plantations and agriculture is not the only source of river water pollution, for

plantation and agricultural producing areas, this sector is the dominant source of pollutants. This indicator can monitor the quality of river water and air in the district as an indication of pollution from land-based activities. With this indicator, it is expected that local governments will not only pay attention to aspects of plantation productivity but also ensure that productivity is achieved in a sustainable manner. The high level of river water and air pollution due to land-based activities can be an indication that these activities are not practiced based on sustainable principles.

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### c. Methodology and Data

Indicator 7 will highlight water and air quality by measuring this indicator,  $AWPC_i$ , described by:

$$\text{Equation 8 : } AWPC_i = (50\% \times WQ_i) + (50\% \times AQ_i)$$

Where,

$WQ_i$  and  $AQ_i$  are the district's water quality index and air quality index, respectively.

The data required for the calculation of water and air pollution control indicator is the district water and air quality index data. The data currently available online is published by the Ministry of Environment and Forestry only at the sub-national level. Until this report was produced, the data was last updated in 2019. Based on interviews conducted in pilot districts, data and information on water quality index (IKA) and air quality index (IKU) were not consistently available across districts.

## 2.1.8. Indicator 8: Free, prior and informed consent (FPIC) integrated into the plantation permit application process

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



Target 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.

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### B. Benefits

This indicator is an indicator used to assess the commitment of local governments in protecting the right of every individual to participate in activities that will have an impact on themselves and/or the environment. In the context of plantation licensing, FPIC is a principle that affirms that communities in and around the permit location have the right to obtain information and freely agree or disagree to activities that will take place within their territory or on their lands.

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### C. Methodology and Indicators

Indicator 8 is a process indicator represented by the existence of a Standard Operating Procedure (SOP) at the district level to explain the steps to obtain FPIC from the community. The existence of the SOP for FPIC implementation is taken as a proxy because its existence is

expected to provide more concrete directions to executors at the site level so as to ensure that the process for obtaining approval from the community as a condition for plantation permit application is actually carried out. The SOP is important, noting that plantation business activities are often associated with social conflicts. By carrying out this process, it is expected to mitigate conflicts caused by all activities related to plantations. This indicator has effect in monitoring the existence of the SOP for FPIC implementation in the district as a form of government's concern in preventing and reducing conflicts in its regions. The absence of FPIC SOPs could provide a loophole for this process to not be implemented and has a huge potential to lead to future disputes. If so, the plantation licensing process ignores the principles of inclusive, participatory and representative decision-making.

Hence, the indicators can be translated into:

$$\text{Equation 11 : } FPIC_i \in \{0,1\}$$

Where,

$FPIC_i$  is equal to 1 if there is an SOP in district  $i$  to gain community approval regarding plantation licensing, and 0 otherwise.

Based on trials at the district level, none of the regions had SOPs for implementing FPIC. In all pilot areas, the district government felt that environmental permits had adopted the principles of FPIC and norm, standard, procedure and criteria (NSPK) from the procedures for granting environmental permits to be sufficient as a guideline for the FPIC implementation. However, considering that this principle is an important principle in conflict prevention and community rights protection, the absence of technical SOPs at the local level is suspected to be one of the causes of gaps at the implementation level of this principle in the current licensing process. For this reason, it is still expected that the regions demonstrate their

commitment to the development of FPIC/similar SOPs.

Other options that can be considered are:

- Declaration by the district government on the implementation of FPIC principles in the licensing process, which is then integrated into a Terpercaya Platform
- Integration of FPIC reporting requirements as part of the district government's annual accountability report, Government Performance Accountability Report (LAKIP) to the Ministry of Home Affairs.

## 2.1.9. Indicator 9: Recognition of customary land

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Target 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.



### B. Benefits

This indicator is used to assess the commitment of local governments in recognizing customary land that has been guaranteed in the constitution and various prevailing laws and regulations. One of the problems that often arise is the unresponsiveness of local governments in recognizing customary law communities in their territories. This results in community rights that are often neglected, especially

in terms of land ownership. Because the existence of indigenous people has not been acknowledged, they often find it difficult to gain access to justice to defend their rights. This indicator has implications for monitoring the progress of the mapping process and the legalization of the indigenous people status in regions. With customary communities registered, their rights and obligations as well as their roles and positions in any decision-making for activities to be carried out on their lands become clearer before the law.

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### c. Methodology and Indicators

Indicator 9 is a process indicator to measure the recognition of customary land rights, which can be done through an assessment of the level of government support for the acceleration of customary forests enactment by the Ministry of Environment and Forestry, as well as the process of releasing customary land from state forest areas. Therefore, indicators can be approached with the following method options, namely:

1. By seeing the proportion of customary land area that has been recognized based on the Regent's Decision Letter/Regional Regulation against the total potential area of customary land in district *i*. The data required for this analysis is the total area of customary forest shown by an indicative customary forest map, which can be downloaded from the public domain of the Ministry of Environment and Forestry. Indicator measurement

$$\text{Equation 12: } CL_i (\%) = \frac{CL_{\text{legalized}_i}}{CL_{\text{Area}_i}} \times 100\%$$

Where,

***CL<sub>legalized<sub>i</sub></sub>*** : The area of customary land that has been recognized based on the Regent's Decision Letter/Regional Regulation in district *i* (hectares)

***CL<sub>Area<sub>i</sub></sub>*** : The potential area of customary land in district *i* (hectares)

2. By looking at the proportion of customary land area that has been recognized pursuant to the Regent's Decision Letter/Regional Regulation against the total potential area of customary land in district  $i$ . The data required for this analysis is the total area of customary forest shown by an indicative customary forest map, which can be downloaded from the public domain of the Ministry of Environment and Forestry. Indicator measurement

$$\text{Equation 13 : } CL_i \in \{0,1\}$$

Where,

$CL_i$  is equal to 1 if district  $i$  meets one of the criteria below, and 0 otherwise.

This analysis requires data from the provincial or district Bappeda. Pursuant to Regulation of Ministry of Home Affairs 86/2017, district governments may establish the following KPIs related to Customary Law Communities (MHA) in their Regional Medium-Term Development Plan (RPJMD). However, each district government may choose different targets. The following is a list of targets related to recognition of customary rights that can be determined for the RPJMD at the district level:

- Number of recognized MHA;
- Number of verified MHA, or local wisdom, or traditional knowledge;
- Amount of verified local wisdom, or traditional knowledge rights;
- Number of legalized MHA rights;
- Percentage of facilitated MHA compared to total MHA;
- Percentage of MHA provided with infrastructure compared to total MHA.

## 2.1.10. Indicator 10: Conflict resolution

### A. Correlation with Indonesia's Sustainable Development Goals (SDGs)



SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Target 16.6 Develop effective, accountable and transparent institutions at all levels

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### B. Benefit

This indicator is needed to monitor the performance of local governments in resolving social conflicts related to plantation development in their jurisdictions. Social conflicts are often associated with land use sectors such as plantation. This data can be basic information to measure the success and effectiveness of efforts that have been made to reduce and resolve conflicts as well as be the first step in measures to realize sustainable agricultural practices that provide access to justice for all and to ensure the existence of effective and accountable institutions. This indicator can also provide an assurance for buyers that the production of plantation commodities in a jurisdiction will not result in increased conflict in that area.

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### C. Methodology and Data

This indicator is closely related to Indicator 8, which focuses on actions implemented to prevent social conflict. Indicator 10 can be measured based on the total number of conflicts or cases reported at the national level and received by the Ministry of Agriculture.

Currently, the Directorate General of Plantation has data on plantation conflicts at the national level, but it is not regularly updated. The results of indicators trial in several districts also show a discrepancy between recording at the national level and recording at the regional level, which could also occur due to different recording times.

This indicator's challenge is to determine a way for all districts in the country to report and publish their progress in dealing with conflict resolution on a regular basis. Several options might be considered:

- District governments' declarations in Terpercaya platform. District governments can state the total cases registered each year, the total processed and resolved on the Terpercaya platform.
- District governments report data annually and publish them as part of official district statistics. Reporting activities can be allocated through an annual budget (APBD) under the objective of Peace and Order.
- Identification of conflict resolution regulations at the provincial/district level (regional regulation, governor regulation, regent regulation).
- Development of a mechanism for reporting and updating relevant data from district to province (with clear format and frequency).
- Development of a data collection system (manual or online).

## 2.1.11. Indicator 11: Percentage for smallholders

### A. Correlation with Indonesia's Sustainable Development Goals (SDGs)



SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

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### B. Benefits

This indicator aims to observe the magnitude of the smallholders' involvement in the plantation sector in a district. This indicator helps translate the principle of inclusion as one of the important principles in Terpercaya. By knowing the number and productivity of smallholders, this indicator can help the government and the market to understand the number, productivity, and contribution of smallholders in the plantation sector as well as their income contribution at the district level.

Plantation product buyers who specifically want to buy from areas where the number of smallholders is higher than other areas can use this information to decide on their purchasing plans. For the government, data related to the number of smallholders in an area is useful for planning government programs aimed at smallholders.

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### c. Methodology and Data

The indicator is measured by the total area managed by smallholders compared to the total plantation area in the district  $i$ ,  $sholder_i$  (%), can be described as:

$$\text{Equation 14 : } sholder_i (\%) = \frac{sh.area_i}{plantation_i} \times 100\%$$

Where,

**$sh.area_i$**  : the total area of plantations managed by smallholders  
in district  $i$  (hectares).

**$plantation_i$**  : total plantation area in district  $i$  (hectares).

The data required for this analysis is:

1. Indonesian Plantation Statistics, annual statistics consisting of the total land area of smallholders and other producers, including companies. Statistical reports can be downloaded from the public domain of the Directorate General of Plantations, Ministry of Agriculture (Ministry of Agriculture Directorate General of Plantations »Statistics Publication Book 2018 - 2020). As of March 2020, the most recent dataset available at the district level is from 2017.

## 2.1.12. Indicator 12: Smallholders registration

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage



the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

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## **B. Benefits**

This indicator aims to measure the performance of district governments in facilitating smallholders to take part in sustainable supply chains. One of the many ways to measure this is to assess the responsibility of local governments in issuing Cultivation Registration Certificates (STDB) to smallholders who cultivate their land. This indicator is used to monitor the number of independent smallholders who have been registered and verified through STDB. The STDB ensures that smallholder data is recorded consistently both at the central and local levels. By registering independent smallholders in STDB, it may open the way for smallholders, one of which is to take part in sustainability certification and gain access to various other government assistance programs.

This indicator may also be used as a proxy to see the commitment of the local government in carrying out the completion of STDB registration as a first step in supporting smallholders to be registered and formally involved in the plantation sector. The higher the number of smallholders who have registered through STDB, the higher the possibility of sustainable agricultural practices that can be properly monitored and regulated. Traceability, for example, will also be easier to implement if STDB has been implemented thoroughly in a district.

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## **C. Methodology and Data**

Indicator 12 is an output indicator that can be estimated by the percentage of the number of smallholders who have STDB compared to the total number of smallholders in the district  $i$ ,  $stdb.ratio_i$  (%), which is translated by:

$$\text{Equation 15 : } \mathit{stdb.ratio}_i(\%) = \frac{\mathit{sh.stdb}_i}{\mathit{sh}_i} \times 100\%$$

***sh.stdb<sub>i</sub>*** : total number of smallholders who have STDB in district i (count).

***sh<sub>i</sub>*** : total number of smallholders in district i (count).

The data required for this analysis are:

1. Data on the number of smallholders in the district, can be obtained from the publication of Indonesian Plantation Statistics (see indicator 11).
2. Data on the number of smallholders who have STDB can also be collected from the STDB electronic platform that is being developed by the Directorate General of Plantation.

## 2.1.13. Indicator 13: Smallholder productivity

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.



## B. Benefits

This indicator helps translate the principle of inclusion as one of the important principles in Terpercaya. By knowing the number and productivity of smallholders, this indicator can help the government and the market to understand the number, productivity, and contribution of smallholders in the plantation sector as well as their income contribution at the district level. By monitoring the level of productivity of smallholders in the district, the government can use this information to evaluate and plan the appropriate program to increase smallholders' productivity. It is expected that the higher productivity of smallholders will generate higher incomes and ultimately reduce the pressure for expansion into the forest.

This indicator aims to observe the productivity of smallholders, particularly oil palm in the district. This indicator is an output indicator related to the support provided by the local government to smallholders to achieve sustainability.

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## C. Methodology and Data

The indicator can be measured by the yield (production) of smallholder plantations divided by the total area of plantations managed by smallholders namely ***sh.prod<sub>i</sub>*** (kg/hectares). ***sh.prod<sub>i</sub>*** is described by:

$$\text{Equation 16 : } \mathit{sh.prod}_i(\%) = \frac{\mathit{sh.yield}_i}{\mathit{sh.area}_i}$$

Where,

***sh.yield<sub>i</sub>*** : the total production of smallholder oil palm plantations in district ***i*** (kg).

***sh.area<sub>i</sub>*** : the total area of oil palm plantations managed by smallholders in district ***i*** (hectares).

The data sources for analysis are similar to indicators 11 and 12.

## 2.1.14. Indicator 14: Number of smallholder associations/groups

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.



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### B. Benefits

The indicator aims to observe the existence of smallholder associations, especially oil palm smallholder associations at the district level. Association is one of the important prerequisites for smallholders capacity building so that they can take part in sustainable supply chains. This is because the association's function is not only as a vehicle for learning but also to ensure that it is a prerequisite for smallholders to obtain various assistance provided by the government and increase their bargaining position with buyers. Access, such as subsidized fertilizers and certified seeds, for example, is channeled through farmers' group/association (Gapoktan). Thus, the higher the number of smallholders who are already part of a smallholder association/group, the higher the chance for them to reap benefits in a sustainable supply chain, among others through a certification mechanism.

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### c. Methodology and Data

The indicator is measured by the total number of smallholder associations/groups/organizations for every 1,000 smallholders, *plant.FG<sub>i</sub>* (count), which can be described by:

$$\text{Equation 17 : } \mathit{plant.FG}_i = \frac{\mathit{plant.G}_i}{\mathit{plant.F}_i} \times 1000 \text{ smallholders}$$

Where,

***plant.G<sub>i</sub>*** : the number of plantation smallholder groups registered in district ***i*** (count).

***plant.F<sub>i</sub>*** : the number of smallholders in district ***i*** (count).

Data required for analysis are,

1. Number of plantation smallholder groups registered in each district. Data can be collected from the Agriculture Extension Information System (Simluhtan), an integrated online portal under the Directorate General of Plantations, Ministry of Agriculture.
2. The number of smallholders, especially oil palm smallholders, in each district was collected from the publication of Indonesian Plantation Statistics (See indicator 11). Alternatively, data can be collected from the results of the Intercensal Agricultural Survey (SUTAS) regardless of the type of commodity.

## 2.1.15. Indicator 15: Assistance for smallholders

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the

formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

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## B. Benefits

This indicator is used to assess how committed the government is at the jurisdictional level in relation to the principle of inclusiveness for smallholders. This indicator aims to measure the performance of local governments in providing assistance to smallholders, such as the provision of extension agents in each district. Assistance to smallholders shows the government's support for realizing smallholders' success in achieving high land productivity and income. Increasing the level of land productivity is also expected to reduce pressure on land requirements from forests.

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## C. Methodology and Data

This indicator is a process indicator that is closely related to Indicator 13. One of the assessable proxies for government assistance to smallholders is to monitor the ratio of government-provided extension agents to the number of smallholders at the jurisdictional level. Therefore, this indicator can be measured by the number of extension agents for every 1,000 smallholders, ***rext.agent<sub>i</sub>*** (***count***), which can be described by:

$$\text{Equation 18 : } \mathbf{rext.agent}_i = \frac{\mathbf{ext.agent}_i}{\mathbf{plant.F}_i} \times 1000 \text{ smallholders}$$

Where,

***ext.agent<sub>i</sub>*** : the number of plantation smallholder groups registered in district ***i*** (count).

***plant.F<sub>i</sub>*** : the number of smallholders in district ***i*** (count).

Data required for analysis are explained below:

1. The number of smallholders, especially oil palm smallholders in each district. (See Indicator 14 point 2)
2. The number of extension agents in each district. Data can be collected from the Simluhtan, an integrated online portal owned by the Directorate General of Plantation, Ministry of Agriculture.

## 2.1.16. Indicator 16 : Sustainable Certified Plantation (especially palm oil)

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

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### B. Benefits

This indicator is used to monitor the proportion of plantation land that has been certified for sustainability either through ISPO and/or RSPO in one jurisdiction. Certified plantation land ensures that all activities and products are carried out in a sustainable manner, including by not destroying forests and not neglecting social rights. This information serves as a benchmark for the extent to which plantation commodities produced in an area are guaranteed to meet sustainability standards. The higher

the number of certified plantations, the higher the jurisdiction's sustainability value.

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### c. Methodology and Data

The indicator is measured by taking the ratio (%) between the total area of sustainable certified oil palm plantations compared to the total area of oil palm plantations in district  $i$ ,  $SC_i$  which is translated by:

$$\text{Equation 19 : } SC_i (\%) = \frac{ISRSPO.area_i}{OP.Plantation_i} \times 100 \%$$

Where,

***ISRSPO.area<sub>i</sub>*** : RSPO and/or ISPO certified oil palm plantation areas in district  $i$  (hectares).

***OP.Plantation<sub>i</sub>*** : the total area of oil palm plantations in district  $i$  (hectares).

Data required for analysis are:

1. Total RSPO and ISPO certified area within the district, *ISRSPO.area<sub>i</sub>*. Data can be collected from the public domain of the RSPO and ISPO websites.
2. The total area of oil palm plantations, *OP.Plantation<sub>i</sub>*, can be collected from the Oil Palm Statistics annual report published by the Directorate General of Plantation, Ministry of Agriculture. This report can be downloaded from the public domain of the Ministry of Agriculture website.

For commodities other than oil palm, the type of certification referred to can be adjusted according to various sustainable certification mechanisms, for example those issued by the Rainforest Alliance, Fair Trade International, UTZ, etc.

## 2.1.17. Indicator 17: Poverty Level

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 1 End poverty in all its forms everywhere

Target 1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day.

SDG 10 Reduce inequality within and among countries.

Target 10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 percent of the population at a rate higher than the national average.

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### B. Benefits

This indicator is used to determine how much the population is economically unable to meet basic needs in a jurisdiction. This output indicator can measure the performance of local governments in achieving SDG 1 and SDG 10. This indicator can at least be used for two aspects:

1. To show the correlation between the level of social welfare of the community and the existence of land-based industries as the dominant livelihood;
2. To be an indication of area that needs attention from both the government and the market, especially in the effort to achieve sustainable plantation management standards in their jurisdiction.

Buyers of plantation products who specifically want to

buy from areas where the poverty rate is still high, may also use this information to decide on the targeted region.

### c. Methodology and Data

Indicator 17 is measured as the percentage of the total number of people living below the poverty line of district  $i$  against the total population in that district,  $Poverty_i$  which is described as:

$$\text{Equation 20 : } **Poverty}_i = \frac{\text{Poor.People}_i}{\text{Population}_i} \times 100 \%**$$

Where,

**Poor.People<sub>i</sub>** : the number of people living below poverty line in district  $i$ .

**Population<sub>i</sub>** : the total population in district  $i$  (people).

For analysis, the data required is:

1. Statistics Indonesia (BPS) annual publication of people living below poverty line and population data for each district in Indonesia.

## 2.1.18. Indicator 18: Proportion of district budgets allocated for sustainability

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)

SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Target 16.6 Develop effective, accountable and transparent institutions at all levels.



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## **B. Benefits**

This indicator aims to assess the commitment of district governments in actualizing various policies related to environmental management and protection. The availability of local budget (APBD) is important to support programs that are sustainability oriented. This indicator monitors the proportion of the total local budget allocated for environmental functions so that it can be a reference for measuring the success of sustainability programs implemented by a region.

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## **C. Methodology and Data**

The proxies that will be used are the budget allocated specifically for the district's Environmental Office (DLH). The development targets under the responsibility of DLH at the district level can be seen in Table 1. Therefore, Indicator 19 as an output indicator is closely related to the achievement of many environmental related output indicators and several social indicators such as Indicator 9.

Table 1. Development Targets under the Responsibilities of District's Environment Office (DLH)

<b>No. Environmental Targets</b>	
1.	Preparation of RPPLH
2.	RPPLH is mainstreamed and integrated into the RPJMD
3.	Application of SEA (KLHS) for Activities/Plans/ Programs (K/R/P) at the provincial level
4.	Water Quality Measurement
5.	Air Quality Measurement
6.	Land Cover Quality Measurement
7.	Compliance with environmental permits
8.	Capacity building for Environmental Supervisory officers at the Environment Office
9.	Facilitate MHA recognition assistance
10.	Verification of local wisdom or traditional knowledge rights
11.	Establishment of MHA rights
12.	Facilitate capacity building for MHA
13.	Accommodation towards the provision of MHA facilities
14.	Implementing community education and training
15.	Application of environmental awards events
16.	Regional or community complaint related to environmental permits
17.	Waste handling
18.	Percentage of waste reduction by 3R
19.	Percentage of service coverage
20.	Percentage of waste volume service coverage
21.	Integrated Waste Management (TPA/TPST/SPA) operations
22.	Percentage of waste management permits for the private sector
23.	Percentage of private waste management that complies with laws/regulations

The measurement of this indicator is the percentage of the budget allocated for DLH divided by the total district budget attached in the local budget each year,  $bratio.DLH_i(\%)$ , which is described as:

$$\text{Equation 21 : } \mathbf{bratio.DLH_i} = \frac{\mathbf{budget.DLH_i}}{\mathbf{APBD_i}} \times 100 \%$$

Where,

**$budget.DLH_i$**  : the amount of budget allocated for environmental office (rupiah).

**$APBD_i$**  : total expenditure or budget of district i (rupiah).

The data required for analysis are:

1. Regional budgets and expenditures for each district. This data can be collected from the publication of local budget (APBD) coverage and realization reports on the website of the Directorate General of Fiscal Balance, Ministry of Finance.

## 2.1.19. Indicator 19: Access to public information

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Target 16.6 Develop effective, accountable and transparent institutions at all levels.

## B. Benefits

This indicator aims to measure the performance of district governments in ensuring good governance, one of which is public access to information. Public access to information is an important instrument that actualizes the concept of accountability of a government unit and ensures that the public has basic information related to their life needs. For example, with guaranteed public access to information on plantation licensing, the community can participate in monitoring the implementation of plantation company obligations in their area, including obligations related to environmental management, to plasma, and others.

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## C. Methodology and Data

Since Public Information Commission (KIP) is currently only required to be established at the provincial level, after consulting various stakeholders at the national and local levels, it was decided to use the existence of an Information and Documentation Management Officer (PPID) either for district level agencies that regulate the plantation/agriculture sector or for the entire district government as a proxy for this indicator. In particular, the existence of a government regulation (Perda) or Regional Head Decision Letter (Regent Decision Letter) designating PPIDs in agencies that are in charge of regulating the agricultural sector or the entire district government may be a sufficient proxy for this indicator.

Indicators are defined as a binary variable,  $PIA_i$ , or described as:

$$\text{Equation 22 : } PIA_i \in \{0,1\}$$

Where,

$PIA_i$  is equal to 1 if there is a Regional Regulation/Decision Letter of the Regent for the Appointment of PPID Officials in district  $i$ , and 0 if otherwise. Regional Regulation/Decision Letter of the Regent may be available on the official district government website. However, several districts have not

published it online yet. Therefore, it is necessary to confirm the existence of PPID manually. At the national level, information sources regarding the existence of PPIDs are also collected by the PPID under the Ministry of Home Affairs, which can then be accessed through the Central Information Commission.

As an option, in the future, the Central Information Commission may also be enquired to assess the performance of district governments in ensuring access to public information using the methods that have been implemented to assess the performance of provincial governments.

## 2.1.20. Indicator 20: Multi-stakeholder participation in district planning

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Target 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.

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### B. Benefits

This indicator is used to assess the extent to which local governments are committed to actualizing their obligation to involve communities in the planning process in their jurisdiction. Participation is one of the important safeguard pillars in sustainable development under the guarantee that the development implementation in an area has been based on the aspirations of the community in that area.

Through the actualization of this safeguard, it is expected that the direction of development in an area, including plantations, has considered the impact on the community in the respective area.

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### c. Methodology and Data

National level laws and regulations, such as Regulation of Minister of Home Affairs Number 86 of 2017 have clear obligations on how public participation is treated as a legal requirement concerning the development of Regional Medium-Term Development Plan (RPJMD) and Regional Government Work Plan (RKPD). However, the quality of the public participation process has not been measured. One of the proxies that can be used to measure this indicator is to identify the existence of SOPs for community participation in spatial planning and mid-term and annual development plans as a derivative of the implementation of such obligations.

The indicator is measured in the form of a binary variable,  $MSP_i$ , which is described as:

$$\text{Equation 23 : } MSP_i \in \{0,1\}$$

Where,

$MSP_i$  is equal to 1 if there is an SOP for community participation in the annual and medium-term spatial development plans in district  $i$ , and 0 otherwise. The data required for analysis is a list of related SOPs in each district. Unfortunately, this data is not available at the central level. Based on pilot district trials, it was found that the regions did not have these SOPs.

Other options that could be considered for data collection from district governments are:

- Local governments are asked to submit minutes of agreement drafted during the development process of the RPJMD and RKPD as mandated in the Regulation of

Minister Home Affairs Number 86 of 2017 to the Terpercaya platform that is managed by Bappenas (as part of the evaluation). This note will detail those who participated in and agreed to the draft of RPJMD/RKPD.

## 2.1.21. Indicator 21: Complaint mechanism

### A. Correlation with Indonesia's Sustainable Development Goals (SDGs)



SDG 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Target 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.

Target 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all.

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### B. Benefits

This indicator aims to measure the government's performance in complaint handling as an important pillar of good governance. The complaint mechanism is an important mechanism that bridges regulations with implementation in the field so that its existence is important for other indicators. It also ensures the readiness of local governments in implementing regulations and policies on sustainable plantation commodity production in their jurisdiction.

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### c. Methodology and Data

This commitment will be assessed from the existence of the complaint SOP at the district level. With this SOP, it is expected that there will be a technical procedure that guides implementers at the district level in handling complaints, including those related to Terpercaya indicators.

Measurement indicators can be described as, *Complaint.Mechanism<sub>i</sub>* (score):

$$\text{Equation 24 : } \mathbf{Complaint.Mechanism}_i = 100 \times (\sum_{c=1} w_c \times I_c)$$

Where,

$$\text{Equation 25 : } I_c \in \{0,1\}$$

Where,

$w_c$  indicates the weight for each of the listed component Index for the complaint mechanism and its value  $0 < w_c < 1$ ;  $c \in C$  which is a set of components that are registered for the evaluation of the complaint mechanism;  $I_c$  is a binary index variable indicating the presence of component for the complaint mechanism, 1 indicates “good” or “available”, and 0 if otherwise. For this analysis, the data would a list of SOPs related to complaint handling in each district.

At present, information on the existence and quality of SOPs on complaint mechanisms at the district level is currently not available at the national level. Some of the options that can be used to assess this indicator are:

- Declaration and submission of documents by the local government if it has a complaint handling SOP.
- District governments are required to produce quarterly/semi-annual reports on grievances/complaints related to plantation/agriculture that have been submitted, including their status. This report should also include procedures used in handling these complaints.

The challenge for both options is to collect data from all districts nationally on a regular basis. As an alternative, the Ombudsman Commission conveyed a plan to conduct routine evaluations of the quality of complaint handling mechanisms in all government units, both at the national and local levels, including the district. When carried out in the future, this evaluation can be used as a proxy for this indicator.

## 2.1.22. Indicator 22: Sustainable land use planning

### A. Correlation With Indonesia's Sustainable Development Goals (SDGs)



SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable

Target 11.b By 2020, substantially increase the number of cities and settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management on all levels.

Target 11.a Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning.

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## B. Benefits

This indicator is used to see the extent to which local governments in a jurisdiction have made efforts in planning their regional development in an inclusive and sustainable manner. For this reason, this indicator assesses the compliance of local governments in conducting the mandate of Law No.32 of 2009 on Environmental Protection and Management, which requires each region to prepare documents related to the environment such as environmental carrying capacity (DDDTLH), SEA (KLHS), and Environmental Protection and Management Plan (RPPLH). The three of them are fundamental steps in natural resource management planning and are indicators of environmental control instruments in the regions. Therefore, the existence of this document is a source of information in making development decisions for sustainable development mainstreaming as stated in Government Regulation No.2 of 2015 on RPJM. SEA (KLHS) has generally been implemented as a requirement for the preparation of RTRW and RPJMD, therefore this indicator sees a stronger commitment by assessing the availability of DDDTLH or RPPLH documents in the regions. These two documents, which are mandatory, but are currently not widely practiced, can be proxies to demonstrate a stronger commitment from the government to a jurisdiction in realizing regional development planning that is oriented towards sustainable development.

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## C. Methodology and Data

Indicators are binary variables,  $SLUP_i$  :

$$\text{Equation 26 : } SLUP_i \in \{0,1\}$$

$SLUP_i$  is equal to 1 if there are DDDTLH and RPPLH documents in district  $i$ , and 0 if otherwise. Based on the tiered supervision model in the decentralized concept, the RPPLH or DDDTLH documents should be accessible via the MoEF while at the district level through the respective provincial governments.

The ideal situation is to analyze whether environmental analysis has been integrated into the RPJMD and RTRW. However, it would be difficult to collect and analyze this data for each district. The Ministry of Environment and Forestry is currently developing an online platform for conducting online analysis. When the system is well developed, it can be used as a data source.

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## 2.2. Data collection

### 2.2. Data Collection Options

Terpercaya indicators are selected based on the availability of national database. However, based on the trial process some indicators are not available at the national level and are still being proposed. The goal is for the government to consider gathering the information that the market requires.

This section lists publicly available and accessible data sources for the necessary data and information collection to analyze the indicators discussed in section 2.1. Table 2 illustrates the existence of a national database for Terpercaya Indicators. If a national database is not available, data collection options are provided.

Table 2. Brief Summary of Data Collection for Terpercaya Indicators

No.	Indicator	Required data	National Database	Description
1.	Protection for permanent forest	PIPIB map	Available	Publicly accessible: online at Ministry of Environment and Forestry GIS website
		Spatial Plan (RTRW)	Available	Publicly accessible: online at Gistaru website, Ministry of Agrarian Affairs/ National Land Agency ( <a href="https://gistaru.atrbpn.go.id/rtronline/">https:// gistaru. atrbpn.go.id/rtronline/</a> )
		Forest Area	Available	Publicly accessible: online at Ministry of Environment and Forestry GIS website
2.	Protection for areas essential for ecological services	PIPIB map	(see indicator 1)	(see indicator 1)
		Spatial plan (RTRW)	(see indicator 1)	(see indicator 1)
		Map of Essential Ecosystem Areas	Not available	
3.	Fire prevention	Forest and Land Fires Map	Available	Publicly accessible: online at Ministry of Environment and Forestry GIS website
4.	Protection for peatlands	PIPIB map	(see indicator 1)	(see indicator 1)
		Spatial plan (RTRW)	(see indicator 1)	(see indicator 1)
		Peatland Hydrological Unit Map/KHG		Publicly accessible: online at Ministry of Environment and Forestry GIS website
5	Climate change mitigation	FREL District	Not available	It needs to be specifically formulated based on consultation with the Ministry of Environment and Forestry

No.	Indicator	Required data	National Database	Description
5	Climate change mitigation	Deforestation Rate by District	Not available	Deforestation rates per district can be analyzed from the MoEF land cover data.
		Forest Cover Map		Publicly accessible: online at Ministry of Environment and Forestry GIS website
6.	Sustainable production forest management	Forest Concession Map	Available	Publicly accessible: online at Ministry of Environment and Forestry GIS website
		FSC Certificate	Not available	
		PHPL Certificate	Available	Publicly accessible: online at the website of the Directorate General of Sustainable Production Forest Management, Ministry of Environment and Forestry
7.	Water and Air Pollution Control	District Level Environment Quality Index	Not available	
8.	FPIC integrated into the plantation permit application process	FPIC SOP	Not available	
9.	Recognition of Customary Land	Customary Forest Map	Available	Publicly accessible: online at Ministry of Environment and Forestry GIS website
10.	Conflict resolution	Number of Conflicts	Available	Data requests can be submitted to the Directorate General of Plantation, Ministry of Agriculture.

No.	Indicator	Required data	National Database	Description
11.	Percentage for Smallholders	1. Plantation Crop Statistics for Oil Palm Plantation	Available	Publicly accessible: online reports (PDF) which can be downloaded from the website of the Ministry of Agriculture (Ministry of Agriculture, Directorate General of Plantations »Statistics Publication Book 2018 - 2020)
12.	Smallholder Registration	1. Plantation Crop Statistics for Oil Palm Plantation	(see indicator 11)	(see indicator 11)
		2. STDB Data	Available	Data requests can be submitted to the Directorate General of Plantation, Ministry of Agriculture
13.	Smallholder productivity	1. Plantation Crop Statistics for Oil Palm Plantation	(see indicator 11)	(see indicator 11)
		2. Oil Palm Statistics	(see indicator 11)	(see indicator 11)
14.	Number of Smallholder Associations/ Groups	1. A registered cooperative or smallholder group or association	Available	Available in the Simluhtan online database under to the Ministry of Agriculture
		2. Plantation Crop Statistics for Oil Palm Plantation	(see indicator 11)	(see indicator 11)
		3. Results of the Intercensal Agricultural Survey (SUTAS)	Available	Publicly accessible: reports can be downloaded from Statistics Indonesia (BPS) website
15	Assistance for Smallholders	1. Plantation Crop Statistics for Oil Palm Plantation	(see indicator 11)	(see indicator 11)

No.	Indicator	Required data	National Database	Description
15	Assistance for Smallholders	2. Results of the Intercensal Agricultural Survey (SUTAS)	(see indicator 14)	(see indicator 14)
		3. Number of extension agents	Available	Available in the Simluhtan online database under to the Ministry of Agriculture
16.	Sustainable Certified Plantation (especially Palm Oil)	1. RSPO certified smallholders	Available	Publicly accessible: online via the RSPO website
		2. Oil palm concessions (including those of smallholders) are ISPO certified	Available	Requests for data can be submitted to the ISPO secretariat
		3. Oil Palm Statistics	(see indicator 11)	(see indicator 11)
17.	Poverty level	1. People living below poverty line	Available	Every year, Statistics Indonesia (BPS) publishes the number of people living below poverty line in every district in Indonesia and is publicly accessible.
		2. Population	Available	Every year, BPS publishes the population size of each district in Indonesia and it can be accessed publicly.
18.	Proportion of district budgets allocated for sustainability	1. District Level local budget (APBD)	Available	Can be accessed by the public from the website of the Directorate General of Fiscal Balance, Ministry of Finance ( <a href="http://www.Djpk.kemenkeu.Go.id/?p=5412">http:// www. Djpk.kemenkeu. Go.id/?p=5412</a> )
19.	Access to public information	Regional Regulation/ Decision Letter of the Regent on PPID designation	Available	Can be accessed via the Ministry of Home Affairs through a submission from the Central Information Commission

No.	Indicator	Required data	National Database	Description
20.	Multi-stakeholder participation in district planning	List of SOPs Related to Community Participation in Mid-Term and Annual Spatial Planning and Development Plans	Not available	
21.	Complaint Mechanism	SOP Related to Public Complaint Mechanisms	Not available	
22.	Sustainable land use planning	1. List of DDDTLH and RPPLH for all administrative levels	Available with notes	<p>The central government maintains a database of DDDTLH reports at the provincial level, while DDDTLH reports at the district level are kept by the provincial government. All RPPPLH reports are managed by the MoEF.</p> <p>Note: The MoEF is currently developing an online platform for conducting online analysis. When the system is well developed, it can be used as a data source.</p>



# NATIONAL GUIDELINE

TERPERCAYA DATA COLLECTION AND STUDY ANALYSIS



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