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MESSAGE FROM THE PROJECT LEADER

Dear readers,

2007 is an exiting year for the LPF Team, as it is the last of this four-year running project. After years of hard work, dedication and input of all the people involved we are eager to give you an update on some of our results by means of this Newsletter.

In this edition, first a brief overview of the LPF project is described in order to freshen up your memories. Second, we will highlight one of the project cases: Jepara. Third, a brief result chapter will emphasize main activities in some project sites. Further, the Newsletter provides practical information including upcoming events and LPF-publications.

But before all this, I have something new. Since the beginning of February, the project has an extra boost in the form of Marijke, coming from The Netherlands. She will introduce herself in the last part of this Newsletter, under 'LPF-talk'.

I hope that the information provided is of interest and I wish you all pleasant reading.

On behalf of the LPF team, with best regards,

Philippe Guizol
LPF project leader
Cirad

What is Levelling The Playing Field Project about?

The LPF project addresses the question of how to manage forests and related landscapes over the long

term in a context where multiple stakeholders sometimes have short term interests. LPF aims to facilitate change in stakeholders' behaviors in order to increase their capacity for coordination, learning, collective action and conflict management. The expected impacts are improved forest management and improved local livelihoods.

The long term objective is to improve forest management in South East Asia by developing models for better collaboration and/or better conflicts management. LPF operates in six locations in three countries. Each of the sites is subject to the same context of having multiple stakeholders with different views, power and conflicting interests. The countries where the project carries out the research are Malaysia, The Philippines and Indonesia.

In Malaysia, the two project sites are situated in Matang and Pahang and in The Philippines the research site is in Palawan. The Indonesian sites are located on Southeast Sumatra and Central Java.

The project is managed by Cirad and CIFOR in partnership with three Asian Universities: UGM in Indonesia, UPM in Malaysia and UPLB in The Philippines.

For further information on the project, please visit www.cifor.cgiar.org/lpf or contact Philippe Guizol (p.guizol@cgiar.org). If you don't want to receive this newsletter, please write to m.selten@cgiar.org

HIGHLIGHT

Highlight on Jepara LPF: Towards Sustainable Wood Sources for Sustainable Furniture Business

Teak keeps many people out of poverty. Based on the LPF survey in 2005, 176 000 +/- 3000 people are directly dependent on furniture industries for their livelihood in Jepara, while official figures indicate 60,000 only. We found about 15,000 small or medium enterprises involved in the furniture production in Jepara, while current figures indicated only 3500 enterprises.

To keep people out of poverty requires a lot of wood. We found that about 2.2 million cum a year are processed in Jepara, which is higher than the State Company Perum Perhutani's annual production.

The baseline interviews show there are a lot of issues which need to be addressed collectively. Furniture stakeholders are aware of the problem, but they need mediators to facilitate the process in order to identify, formulate and implement collective action.

Through a string of workshops, different groups of stakeholders could express their perceptions and develop some form of strategies to deal with wood scarcity, the lack of competitiveness in the Jepara industry and small working shops financial issues. These different groups will gather next April to hopefully define a common strategy.

Free rider behaviors are a threat. The harvesting of illegal wood in the short term pays off for some actors, but in the long term leads to the collapse of the plantation system and subsequently of the furniture industry itself. The furniture industry needs the secure wood supply from plantations and the farmers are stimulated to grow trees thanks to market signals from the furniture industry. The LPF project considers these two interdependent systems and aims to facilitate collective action in order to avoid a global collapse.

Challenges

For years, Jepara industry was enjoying an abundant teak wood supply. The stakeholders, namely the industries, local government, log brokers and product exporters in Jepara were not so worried as buyers were offering interesting orders and prices. But now it appears that the way the furniture industries are doing their business contributes to the destruction of teak plantations, and competition with the Vietnamese and Chinese furniture industries makes Jepara's future even more uncertain. The market (the buyers and product consumers) want to buy products coming from sustainable wood sources, even though in many cases they are not keen to pay a fair price for the teak logs.

The furniture stakeholders have different interests and views on the current situation, although they are affected by the same issue of increasing scarcity of the raw material supply. The lack of collective action creates an unhealthy competition situation, which leads to an unsustainable business.

On-Going Results

The local government supports the LPF initiative, and a memorandum of understanding between Pemda Jepara, LPF project and the Faculty of Forestry (UGM) was established. Other stakeholders also recognized the need to improve collective actions and the ideas to have group meetings and workshops to this end.

RECENT RESULTS

Musi Hutan Persada (MHP), South Sumatra

Through several workshops and meetings, LPF intervention resulted in the creation of a place of negotiation, called the *multi-stakeholder forum of "Sebahu Sejalan"*. This forum facilitates community organization strengthening and promotes transparency. This is done by issuing a bulletin, elaborated by the LPF facilitator, which reports regularly on the forum progress, the new rules on partnership agreement and news from MHP.

The different stakeholders found a new agreement on benefit sharing after LPF intervention. Previously, the grassroots' people involved in forestry with MHP, a commercial forestry company, received 60% of the profit. In the new agreement this share increased to 80%, meaning that the people gain better bargaining power, which is a LPF impact.

Communities composed of members of different villages, elites and poorer people, agreed on the rules of the game, which are stated in the forum protocol. Together they designed the new partnership arrangement with MHP in order to grow pulp wood. The proposal includes more employment opportunities generated by the pulpwood production and the production fee paid by MHP to communities to increase to IDR 20,000 from IDR 2,000 per m³ of acacia wood produced in partnership.

Pemalang & Randublatung, Central Java

In Year 3, the Java case study implemented the third phase of LPF framework: the monitoring and evaluation. To give the capacity to local people to evaluate themselves the sustainability of forest management partnership, LPF project introduced to village stakeholders a tool called Criteria and Indicator (C&I) for sustainable forest management developed by CIFOR. The LPF team from Faculty of Forestry, UGM facilitates village stakeholders in four villages and achieved the following results:

- A set of participatory C&I to evaluate forest management sustainability was developed by the village stakeholders;
- District Government of Pematang appointed the C&I set of Surajaya Village and Glandang Village as the generic template for further development in villages of Pematang District;
- LPF process to develop participatory C&I to evaluate the sustainability of collaborative forest management will be followed by the District Government of Pematang.

Palawan, The Philippines

The Technical Working Groups (TWGs) and Provincial Steering Committee (PrSC) are actively participating in LPF case study in Palawan. Community members of the TWGs have learned how to plan. A Framework for Livelihood Project/Enterprise Development and Business Planning had been developed, i.e. business plan on cashew nuts, flower gardening, ornamental plants, and the sea urchin culture. Aside from livelihood, the TWGs have also spearheaded site development activities like river bank stabilization. They also discuss issues on water and forest resources. They aim to establish a sustainable water system for the community.

The PrSC is very active in addressing community issues and problems. Their role has been reviewed and firmed up and serves as a good venue to find solutions and answers to the issues and concerns brought up. The committee is indeed very useful in ensuring that project targets are achieved and activities will be sustainable. The committee has become a venue for negotiation among stakeholders. LPF is now facilitating a resolution at the village level to endorse the legitimization of institutionalization of the PrSC by the Palawan Council for Sustainable Development.

The multi agent system (MAS) modelling component involved the creation of a role playing game (RPG), focusing on the livelihood activities of the villagers. This RPG was used to verify and validate the MAS model of the three villages involved in the project.

Key lessons learned:

1. Most livelihood activities within the three villages are seasonal. Most people consider these livelihood activities as "sidelines" or small sources of income. In general, the villagers, more specifically the migrants, see that their major livelihood is doing "sideline"; thus there is a need for more stable or regular livelihood programs for the villagers.
2. The migrants focus more on generating income when performing their livelihood activities, while for the Bataks, the indigenous people in the area, try to make a living while being able to protect the forests for the future of their children at the same time.
3. The Bataks are very much dependent on the migrants for their livelihood as these migrants are the traders to whom the Bataks sell the NTFPs they collect from the forest. At the same time, trading is an important livelihood activity for the migrants.
4. There is still a big misunderstanding between the migrants and the Bataks, with the Bataks being perceived as lazy and not knowing how to handle money properly; the migrants have a sense of resentment against the Bataks, especially when the Bataks are given assistance or support.

UPCOMING EVENTS

Writing workshops

LPF project will organize two writing workshops in order to (1) help and improve the scientific writing skills of LPF team members; and (2) produce the scientific papers taken from LPF research findings.

1. "*Scientific Writing Workshop on Findings of the Levelling the Playing Field (LPF) Research in Indonesia, Malaysia and the Philippines*"
21-25 May 2007
CIFOR campus, to be conducted by Dr. Peter Frost, and attended by representative LPF members from the three countries, and Bogor based team.
2. "*Writing workshop on Community Forestry Partnership: dealing with economic, institutional, social issues for better collaboration*"
11-17 June 2007
CIFOR campus. This is a joint writing workshop conducted with other projects at CIFOR; therefore it will be attended by partners and some CIFOR staff. From the LPF partners, the team from Gadjah Mada University will join this training. The training will be in Bahasa Indonesia.

PUBLICATIONS

The latest project documents are:

- Rubber smallholders versus Acacia growers: Socio-economic survey of the Rambang Dangku sub-district (South-Sumatra).
- Biodiversity in a Batak village of Palawan (Philippines) - a multidisciplinary assessment of local perceptions and priorities.
- Report of regional coordination meeting and 3rd steering committee meeting.

These documents are published on the LPF website 'publications'.

The papers presented at the Eleventh Biennial Global Conference of The International Association for the Study of Common Property (IASCP), Bali, 19-23 June, 2006:

- [Awang, S.A.](#), Widayati, W.T., Himmah, B. and W. Wardhana. *Collaborative Action on State Forest Company in Java, Indonesia*.
- [Campo, P.C.](#) and T.R. Villanueva. *Multi-Agent Systems (MAS) Modelling to Improve the Management of Common Renewable Resources in Palawan, Philippines*.
- [Muhtaman, D.](#), Guizol, P., Roda, J.M. and H. Purnomo. *Geographic Indications for Javanese teak: a constitutional change*.
- [Purnomo, H.](#) and P. Guizol. *State Forest Land Management after Deforestation*.
- [Wardhana, W.](#), Awang, S.A. Purnomo, H., Guizol, P., Levang, P. and E. Sitorus. *Collaboration and tenurial Problems in Plantation Forest South Sumatra, Indonesia*.

Three papers from Jepara case study and one paper from Java case studies were presented at the 9th Biennial Conference of International Society Ecological Economics (ISEE) in New Delhi, India on December 14 - 19, 2006:

- [Guizol, P.](#) and H. Purnomo. *Geographic indication institution and teak sector management*.
- [Purnomo, H.](#) and P. Guizol. *Teak furniture and business responsibility: a global value chain dynamics approach*.
- [Santoso, L.](#), Awang, S.A., Widayati, W.T., Himmah, B. and A. Astuti. *Can collaborative forest*

management address poverty issues?

One paper taken from Indonesia teak plantation and furniture study was presented at the Asia Simulation and Modelling Conference, held in Chiang Mai, Thailand in January 2007:

- [Purnomo, H.](#), Guizol, P. and D. Muhtaman. *Teak furniture governance: a system dynamic approach*.

Publication at International Journal:

- [Purnomo, H.](#) and P. Guizol. 2006. *Simulating Forest Plantation Co-management with Multi-Agent-System. Mathematical and Computer Modelling*. Elsevier Volume 44, Issues 5-6, September 2006.
- [Purnomo, H.](#) 2006. *Trends and scenario of forestry and land uses employment in Indonesia. Journal of Economic and Finance in Indonesia*. 54 (1): 1-24
- [Purnomo, H.](#) 2007. *New forest employment and MDGs*. EFRN News No. 47-48: 41-43

If you are interested in these papers, please contact the first author.

LPF TALK

Introduction note Marijke

Hello everybody!

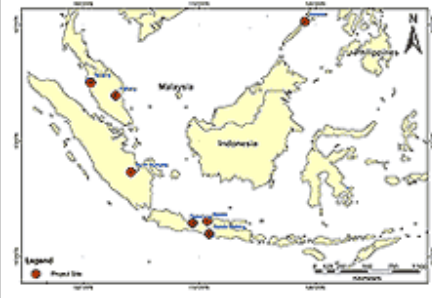
My name is Marijke Selten and I am a master student *Forest and Nature Conservation Policy & Management* from the Wageningen University, The Netherlands. Until the beginning of June, I will conduct my internship with the LPF Project at CIFOR. After that I will do my research work for my thesis connected to the MHP case site in South Sumatra. I will focus on the partnership arrangement between the forestry company MHP and the local communities, particularly looking at future potentials and possibilities of CDM.

The internship and thesis work are both the final activities for my master graduation and I will return to colder Wageningen in early August to finalize my thesis work. I am really pleased to be able to work at CIFOR with a lot of people and finally to learn and experience how it works in 'the reality'.

This Newsletter is one of my first activities of the internship and it gives me a good look into the six research sites of the LPF project, which I think has a high and interesting variety of cases involved under one theme: levelling the playing field.

Salam Hangat,

Marijke



This newsletter is sent by:
EU Funded project of "Levelling the Playing Field Project: Fair partnership for local development to improve forest sustainability"

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