

# Are Village Forest licences for rural development or conservation?

## A case study from Jambi Province, Indonesia



Highlights	Key findings
<ul style="list-style-type: none"> <li>• For Village Forest licences issued in Protection Forest areas, villagers are only allowed to extract NTFPs</li> <li>• For Village Forest licences issued in Production Forest areas, the revised regulation (PP 89/2014) restricts the use of the land by prohibiting commercial logging</li> <li>• There is confusion about objectives and responsibilities of the program</li> </ul>	<ul style="list-style-type: none"> <li>• Villagers have not experienced direct benefit after receiving a Village Forest licence</li> <li>• In all three villages studied, committee members have expressed their wish to relinquish the licence if they cannot perceive any benefit from it</li> <li>• There has been no financial or technical support and no guidance on how to manage the area</li> <li>• Tensions between Village Forest committee members and villagers over management of the licence are predominant in Production Forest areas and prone to elite capture</li> <li>• There are also issues of transparency within committee groups who are not distributing information properly and limit by default the participation of villagers, especially women</li> </ul>

## Research sites

Research focused on three villages in Jambi Province: 1) Senamat Hulu in the district of Bungo; 2) Jelutih in Batanghari; and 3) Jangkat in the district of Merangin. People involved are smallholding farmers cultivating rubber in mixed-tree systems. In the past, they practised shifting cultivation but have converted their swiddens into managed fallows. Their livelihoods have improved with intensification of rubber agroforests and the adoption of commercial crops, such as coffee. People do not hold ownership certificates over their agricultural land. Use of the land is only recognized at the village level through traditional village rights. Rights over land in community forests around villages are passed on through heritage systems and are sometimes subject to commercial transactions. Nowadays, villagers are experiencing pressure over land availability owing to rapid expansion of oil-palm plantations and forest concessions.

## Background on Village Forest licences

The Government of Indonesia has initiated a forest and agrarian reform process aiming to bring at least 30% of state forests under Community-Based Forest Management (CBFM) schemes (10 million ha in 2015, 40 million ha to 2019). Additional elements of this reform process include the restitution of use rights in indigenous territories and resolution of conflict over forest land.

Jambi has been seen as a successful province in terms of CBFM development. One of the schemes promoted is called Village Forest (Hutan Desa). A local conservation and development NGO based in Jambi, has supported local governments to extend the Village Forest scheme. It has been recognized as a mechanism to resolve land disputes and for communities to be ready for REDD+. It has also been expected to help increase forest sustainability and improve community welfare.

Governmental Regulation PP.49/Menhut-II/2008 sets the legal foundation for the establishment of a Village Forest. The objective is the welfare and development of village communities. The official body supervising the application process is the Ministry of Environment and Forestry, which receives formal proposals from the head of a district that have been drafted by an applicant village.

Village Forest areas are state forests managed by a village institution through a management licence for a period of 35 years. The licence is allocated based on the administrative area of the village and can be granted over areas categorized as either 'protection' or 'production' state forests. In protection forest areas, permitted activities are limited to reforestation, harvesting of non-timber forest products (NTFPs), eco-tourism and protection efforts through REDD+ and rewards for environmental services' schemes. In production forests, the village community, besides collecting NTFPs, can harvest 50 m<sup>3</sup> of timber per year for village use. A village that is granted the licence (Surat Keputusan) is required to establish a committee (Lembaga Pengelola Hutan Desa/LPHD)

to manage it. The committee is also responsible for submitting detailed annual (RTHD) and long-term (RKHD) work plans.

At the time of writing, more than 30 villages have been granted Village Forest licenses in Jambi Province. However, little research has been done into how villages manage after receiving a licence. This brief analyses the challenges and threats posed by the licence in three villages in Jambi.

## Findings

### 1. Restricted direct benefits from Village Forest; collection of NTFPs

In Senamat Hulu, where the Village Forest licence is over a protection-forest area, villagers are strictly limited to the collection of NTFPs. In Jelutih and Jangkat, the licence applies to a production-forest area. The villagers, besides making use of the land for rubber cultivation and extracting timber, also have the right to harvest NTFPs. However, owing to a relatively stable income from rubber in the province and dependency on cash crops, people rarely collect NTFPs except when prices for rubber drop, but it only represents a marginal proportion of their economy. Rattan is used for domestic consumption, prices for resin are no longer attractive and honey can only be harvested seasonally. In all three villages, residents complained that the Village Forest licence had not been accompanied by any economic improvement since few people collected NTFPs. Committee members argued that villagers were not collecting NTFPs and it did not represent any economic improvement. They mentioned that NTFPs were mainly used by outsiders, especially by nomadic groups known as 'Orang Rimba' whose economy was based on hunting and gathering. Another restriction on NTFP collection was the long distance and difficult access to the Village Forest (ranging from 8 km for Senamat Hulu to 18 km for Jelutih).

Table 1. Key findings from Senamat Ulu, Jelutih and Jangkat villages

	Senamat Hulu (Bungo)	Jelutih (Batanghari)	Jangkat (Merangin)
<b>Land use</b>	Smallholding rubber farms: rubber trees ( <i>Hevea brasiliensis</i> ) in mixed-tree systems, including fruit trees, such as durian ( <i>Durio zibethinus</i> ), 'duku' ( <i>Lansium domesticum</i> ) and, recently, cocoa. Some irrigated rice.	Smallholding rubber monoculture. Some small-scale oil-palm plantations. No rice production.	Smallholding rubber farms: mixed-tree systems with coffee, cinnamon ( <i>Cinnamomum verum</i> ) and fruit, such as durian. Dryland rice.
<b>Ethnicity</b>	Melayu Jambi Very few outsiders (5 people)	Melayu Jambi Some outsiders (20 people)	Melayu Jambi Few outsiders
<b>Size of the Village Forest</b>	1661 ha	2752 ha	4467 ha
<b>Distance from the village</b>	± 8 km	± 18 km	± 6
<b>Work plan (35 years) (RKHD)</b>	Approved by the head of provincial Forest Agency	Approved by the head of provincial Forest Agency	Approved by the head of provincial Forest Agency
<b>Year of licence</b>	Ministry of Forestry Regulation SK 360/Menhut-II/2011	Ministry of Forestry Regulation SK 434/Menhut-II/2011	Ministry of Forestry Regulation SK 125/Menhut-II/2011
<b>Annual work plan</b>	Not yet approved by head of district	Approved but on hold based on new regulation P.89/Menhut-II/2014	Not yet approved by head of district
<b>Status of the forest</b>	Protection Forest (Hutan Lindung)	Production Forest (Hutan Produksi)	Limited Production Forest (Hutan Produksi Terbatas)
<b>Use rights</b>	NTFPs: rattan species, 'manau' ( <i>Calamus manan Miquel</i> ), honey, resins (dragon blood: 'jernang'), 'gaharu' ( <i>Aquilaria malaccensis</i> ), dammar, bamboo species, fruit, tree beans such as 'petai' ( <i>Parkia speciosa</i> ) and 'jengkol' ( <i>Archidendron pauciflorum</i> ), birds	No NTFPs. People are clearing 3 ha/ household for rubber production.	NTFPs: rattan, 'jernang', 'manau', bamboo. 15% of villagers hold land inside the designated area but it is not optimized and is under-productive.
<b>Restrictions</b>	Land clearing for rubber plantation and timber extraction strictly prohibited under Protection Forest Regulations (punishable by law)	Recent regulation PP.89/2014 restricts the extraction of timber in Village Forests (including Production Forest) to a maximum 50 m <sup>3</sup> per year	Recent regulation PP.89/2014 restricts the extraction of timber in Village Forests (including Production Forest) to a maximum 50 m <sup>3</sup> per year
<b>Benefits</b>	No economic benefits as yet received by villagers. Stable water supply (for irrigation and micro-hydropower) and clean water. Climate regulation.	No economic benefits as yet received by villagers. Land available (3 ha per household based on village regulation).	No economic benefits as yet received by villagers. Unclear about the objectives of Village Forest.
<b>Direct beneficiaries</b>	A few people seasonally engaged in harvesting NTFPs. Orang Rimba indigenous groups.	Wealthiest members who have acquired large amounts of land in the area and have capital to invest	A few people seasonally engaged in harvesting NTFPs. A few people holding land in the area.
<b>Risk of elite capture</b>	Under REDD+ (only understood by committee members)	Logging fees might only benefit committee members. Further land expansion by wealthiest members.	Under REDD+ (only understood by committee members)



## 2. Claims over land

### Protection forest

Before the designation of protection forest in Senamat Hulu and, lately, the granting of the Village Forest licence, villagers used to engage in shifting cultivation by clearing land in upland areas for managing fallow planted with rubber. Consequently, some villagers have inherited plots of land that are now formally located in the Village Forest licence area. They are unused, abandoned, fallow land, hosting old and unproductive rubber trees and are partially covered by secondary forest, locally called 'sesap'. After the designation as protection forest in 2000, people could still tap their existing rubber trees but were not allowed to replace them once they became unproductive. Farmers raised concerns that they wanted to clear these lands and replant them with productive trees, which, under current protection-forest status was strictly prohibited. Accordingly, the Village Forest committee drafted a village law (Peraturan Desa/Perdes) that permitted replanting or reforestation abounded sesap. This draft law had not yet been approved by the head of the district at the time of writing.

### Production forest

In Jelutih, after the granting of the licence, the committee promulgated a village law in 2012 allowing individual households to open 3 ha in the Village Forest area for rubber cultivation. People took that opportunity and further expanded beyond the 3 ha. The wealthiest members acquired usufruct rights through monetary transactions with other households who already had been granted access. Traditional rules over land clearing—'berjemban'<sup>[1]</sup>—were reactivated to claim more land. Less advantaged villagers did not benefit from this village law owing to a lack of capital. The situation became uncontrolled, leading to jealousies among community members. The wealthiest members benefited from the situation and owned more than 50 ha in the area. For every three hectares, villagers paid a fee of IDR 300 000 ( $\pm$  USD 30) to the committee for administration, registration and mapping of the land. This contradicted the fundamental idea behind the Village Forest concept whereby villages were expected to build income-improvement schemes for the welfare of the entire community not for the benefit of individuals. In Jangkat, some villagers also owned land in the licence area that had been cleared before the granting of the licence. Most of this land was underused because the village did not have adequate resources (poor access), particularly, capital to optimize it.

[1] For land clearing people in Jelutih use a traditional customary system called *berjemban*, which allow them to expend their field forward by holding the upper land adjacent to their field for a period of three years. If after that period of time the owner didn't expend, someone else can open that piece of land.

## 3. Contention over land use: forest protection or the people's welfare?

### Protection forest

In Senamat Hulu, villagers complained that they had been protecting the forest since the promulgation of the protection-forest zone but hadn't experienced any economic benefits from it. Nor from the re-allocation of protection forest under the Village Forest licence. Villagers admitted that during the early period when the benefits of the licence were being promoted they were eager to join because they believed they would be able to make use of the land and benefit from it. But they had been disappointed because nothing had changed. Discussions with committee members revealed that they were still hoping to benefit from their protection efforts through REDD+ and that the Village Forest licence might be financially beneficial in the longer term. But so far, there were no incentives for them to protect the forest and no allocated budget from the government to efficiently monitor it. In general, there was a lot of bitterness and people felt that the government wanted to 'wash its hands' by allocating Village Forest licences. According to the villagers, they had become free labour for the government to protect the forest. The only benefits perceived so far were indirect and related to water catchment for irrigation, running their micro-hydropower plant and flood and erosion control.

### Production forest

In Jelutih, following uncontrolled management of the area, the committee decided to enter into an agreement with a third party to manage it. The company, would be allowed to harvest timber in the area for commercial purposes. The logging fees (IDR 20 000 per m<sup>3</sup> of timber extracted) would flow through a village company (Badan Usaha Milik Desa/BUMdes). The agreement with the company also stipulated the development of a 50 ha rubber plantation to be directly managed by the village. The company had already invested in an access road and camp. In order for logging to start, the village required a community logging licence (Izin Usaha Pemanfaatan Hasil Hutan Kayu dalam Hutan Desa/IUPHHK-HD). At the time of writing, this had not yet been granted by the Ministry of Environment and Forestry. The reason lies in the revised regulation on Village Forest (P.89/Menhut-II/2014) stipulating that forests that were still in primary condition in Village Forest areas (either protection or production categories) were to be preserved. Some villagers, sent a letter to the Ministry refusing the granting of the logging licence on the grounds that it would only benefit committee members.

In Jangkat, committee members expressed their frustration towards the revised regulation and wonder what the objective of the government was. According

to them, all regulations issued by the Ministry were further restricting the use of land. Villagers in Jangkat were eager to optimize land but did not have the means to do so and did not receive any support from the government to develop its potential.

#### 4. Multiple interests

There were multiple interests competing with one another in the villages over the uses, benefits and management of the Village Forest licences. The situation in Jelutih was the most contentious. The committee was in conflict with the local NGO, who were against the granting of the logging licence. Committee argued that they did not have sufficient budget to monitor and manage the area and needed a third party to support them. Committee members mentioned that if they did not receive the expected financial support from the agreement they would like the Village Forest licence to be revoked. According to them, the government wanted improved economic benefits for the village but did not allow them to use their forest as they wished. There was also contention between villagers and the committee and mistrust on the villagers' side. People did not understand why they had to pay a IDR 300 000 fee to the committee since there was no proper management of the area. They also feared that if the logging licence was approved it would only benefit committee members. There were also lots of jealousies and bitterness between villagers themselves since some were benefiting more than others from the current management.

In Senamat Hulu and Jangkat there were no direct conflicts between villagers and committee members and among villagers. However, there was an overall sense of frustration since the granting of the licence had not been accompanied by economic improvement and they did not perceive there were any benefits from protecting the forest. Having no budget to implement the work plan, committee members planned to return the permit if support was not provided.

#### 5. Information dissemination

Findings show that committee members were not sharing information adequately to the rest of the village. Some villagers were totally unaware of the licence. Most of the villagers had not been invited to the promotion and explanation of the process nor to participate in training and were not satisfied with information dissemination about the objectives and implications of the program. People mentioned that because they were not part of the committee they had no access to information. Information was usually spread informally during community gatherings, such as Friday prayers at the mosque. During the preparation

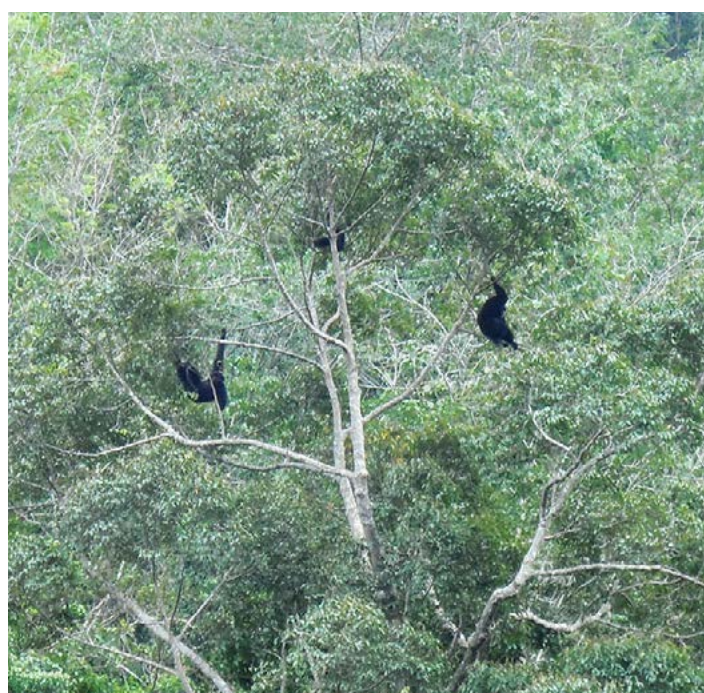
phase, information was provided by NGOs. There was no information from the local government. Immaterial benefits, such as carbon sequestration through REDD+ and environmental services, were only noted by members of the committee. This clearly shows that information only reached management groups and village elites.

#### 6. Participatory boundaries mapping

A mandatory step in the licence process is participatory mapping of the proposed Village Forest area. Our fieldwork revealed that most of the villagers had not been involved in mapping the area and were often totally unaware of the boundaries of the licence area. In Jangkat, villagers mentioned that the map used for the allocation of the scheme was the former concession map of the company that was granted a licence over the area that operated until 2008. According to them, the district Forestry Agency used that map to speed up the process and reach their target.

In Senamat Hulu, only committee members had been involved in the mapping of the area. At the time of writing, boundaries had not been finalized owing to financial constraints and were still unclear and contested. According to informants, the Village Forest boundaries were following the protection forest borders and did not represent people's interests and local interests and claims.

In Jelutih, villagers had not been involved in the mapping of the area. The process was conducted by NGOs and committee members.



Village Forest license under protection forest area can contribute to wildlife protection (photo: Sébastien de Royer/World Agroforestry Centre)





Female focus group discussion in Jangkat Village, Merangin District (photo: Sébastien de Royer/World Agroforestry Centre)

## 7. Women's involvement

Women had little power in decision making related to the management of the Village Forest and had restricted access to information about the licence. Their participation was marginalized in promotion of the scheme at meetings where the majority of participants were male. Women felt that they did not have much say because forest management was a male affair. They complained that meetings were held in the evenings until late and they did not dare leave their houses at night. Most of the information they received about the Village Forest was spread mouth to mouth. There were no female committee members. Women did have high expectations of the licences. Where the Village Forest area was located on production-forest zones, women expressed the wish to obtain a license to extract the timber and engage in partnership with a company to increase employment. They also saw it as a potential benefit for future generations owing to population increase and scarce land. In the protection-forest zone, women expressed the wish that they could have better access to the forest for the development of eco-tourism. They also wanted support to access seedlings. The only existing relation between the committee and the women was through the handicraft groups that stemmed from collection of NTFPs. The women were

facing challenges in marketing their handicrafts and mentioned that they were not entering the forest often owing to the long walking distance and otherwise difficult access.

## Recommendations

- If the objective of a Village Forest licence is to improve community welfare, local government needs to allocate budget and provide technical assistance with management.
- If the objective is forest conservation and watershed protection, people need to be rewarded for their efforts and be permitted to engage in co-benefit arrangements.
- Prior to licence granting, targets and objectives for management should be set well in advance, with clear rights, responsibilities and sanctions.
- Financial support from local government is required for the effective implementation of a Village Forest licence.
- Technical support with NTFP management, including production and marketing, are required.
- Comprehensive communication is required to improve understanding among villagers.

## Correct citation

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