

**INSTITUTIONAL STRENGTHENING FOR IMPROVED VILLAGE  
SERVICE DELIVERY PROJECT**

**Environmental and Social Management Framework**  
*Draft April 2022*

**MINISTRY OF HOME AFFAIRS**  
**and**  
**MINISTRY OF VILLAGES, DISADVANTAGED AREAS AND TRANSMIGRATION**

Date 14 January 2019.

Updated: April 12, 2022

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## LIST OF ABBREVIATIONS

APBD	Local Government Annual Budget/ Local Budget
APBDes	Village Government Annual Budget/ Village Budget
APBN	National Government Annual Budget/ Central Budget
AMDAL	<i>Analisis Mengenai Dampak Lingkungan</i> (Environmental Impact Assessment)
B3	<i>Bahan Beracun Berbahaya</i> (hazardous and toxic waste material)
BAPPENAS	<i>Badan Perencanaan Pembangunan Nasional</i> (National Development Planning Board)
BAPPEDA	<i>Badan Perencanaan Pembangunan Daerah</i> (Local Development Planning Agency)
BKM or LKM	<i>Badan/Lembaga Keswadayaan Masyarakat</i> (Community Board of Trustees)
BPS	<i>Badan Pusat Statistik</i> (National Statistical Bureau)
BPKP	<i>Badan Pengawasan Keuangan dan Pembangunan</i> (National Internal Auditor)
Bupati	Head of Regency/ District
CDD	Community Driven Development
CPIU	Central Project Implementation Unit
DAK	<i>Dana Alokasi Khusus</i> (Special Allocation Fund)
DED	Detailed Engineering Design
DG	Direktorate General
EA	Environmental Assessment
EMP	Environmental Management Plan
ESIA	Environmental and Social Impact Assessment
ESS	Environmental and Social Sustainability
ESMF	Environment and Social Management Framework
ESMP	Environment and Social Management Plan
E-Waste	Electronic Waste
GOI	Government of Indonesia
GRM	Grievance Redress Mechanism
IBRD	International Bank for Reconstruction and Development
IPs	Indigenous Peoples
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Planning Framework
ISA	Indonesian Society of Appraisers (MAPPI)
KAT	<i>Kelompok Adat Terasing</i> (Isolated Indigenous Community)
Kecamatan	Sub District
Kelurahan	Urban Ward
Keppres	<i>Keputusan Presiden</i> (Presidential Decree)
KSM	<i>Kelompok Swadaya Masyarakat</i> (Community Self-help Group)
KPMD	<i>Kader Pemberdayaan Masyarakat Desa</i> (Village Cadre for Community Empowerment)
LG	Local Government
LGDP	Local Government Development Program
M&E	Monitoring and Evaluation
MA	<i>Masyarakat Adat</i> (Customary Community)
MHA	<i>Masyarakat Hukum Adat</i> (Customary Law Community)
MIS	Management Information System
MOHA	Ministry of Home Affairs
MOV	Ministry of Village
NGO	Non-Government Organization

NMC	National Management Consultant
OHS	Occupational Health and Safety
OP	Operational Procedures
PAD	Project Appraisal Document
PAP	Project Affected People
PCR	Physical Cultural Resources
PD	<i>Pendamping Desa</i> (village facilitator)
PD-P	<i>Pendamping Desa Pemberdayaan</i> (village facilitator for empowerment)
PD-TI	<i>Pendamping Desa Teknis Infrastruktur</i> (village facilitator for infrastructure)
PDO	Project Development Objective
PIU	Project Implementation Unit
PMU	Project Management Unit
Pokja	Kelompok Kerja (National Task Force)
RPJMN	<i>Rencana Pembangunan Jangka Menengah Nasional</i> (National Medium Term Development Plan)
RPJMD	<i>Rencana Pembangunan Jangka Menengah Daerah</i> (Regional Medium Term Development Plan)
RPJMDes	<i>Rencana Pembangunan Jangka Menengah Desa</i> (Village Medium Term Development Plan)
RKPDes	<i>Rencana Kerja Pembangunan Desa</i> (Village Development Work Plan)
SA	Social Assessment
SMS	Short-text Messaging Services
SOP	Standard Operational Procedure
SPPL	<i>Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan</i> (Letter of Environmental Management and Monitoring)
TA	<i>Tenaga Ahli</i> (Expert)
TMC	Technical Management Consultant
TOR	Terms of Reference
TPK	<i>Tim Pelaksana Kegiatan</i> (Implementing Unit)
UKL/UPL	<i>Upaya Pengelolaan Lingkungan/ Upaya Pemantauan Lingkungan</i> (Environmental Management and Monitoring Plan)
VLD	Voluntary Land Donation

## 1. PROJECT DESCRIPTION

### 1.1 Overview

#### Country Context

1. Indonesia's progress in reducing poverty and promoting shared prosperity in the last decade has shown improvements but has recently slowed. The country made large gains in poverty reduction since 1999, cutting the poverty rate by more than half to 10.9 percent. However, since 2012, poverty has declined on average by 0.3 percent per year, in part because of macro-fiscal effects of commodity price declines. Currently, more than 28 million Indonesians live below the poverty line and one in five Indonesians remain vulnerable to poverty.

2. ***Poverty and inequality are significantly higher in Indonesia's rural and lagging regions.*** In Indonesia, 63 percent of the country's poor population reside in villages. Although the highest number of poor live in Java and Sumatra, villages outside Java and Bali are characterized by higher poverty rates, poorer health and education outcomes, and limited connectivity and access to basic services due to infrastructure gaps (Table 1). Often poor connectivity and access to basic services prevent people from building the necessary skills to enter an increasingly competitive labor market, thus keeping them poor.

**Table 1: Indicators of poverty in Indonesia: urban vs. rural**

Indicators	Urban	Rural
Poor (WB)	42.13%	68.87%
Poor (BPS)	7.79%	14.11%
Poor Housing	3.35%	11.94%
Poor Sanitation	21.91%	47.16%
Poor Drinking Water	14.04%	22.93%
Poor Electricity	1.00%	9.35%

3. The rural poor are also exposed to shocks from natural disasters and climate change, threatening their livelihood security and contributing to trapping them in poverty. As the largest archipelago nation in the world, Indonesia is highly vulnerable to the negative impacts of climate change. Hydrometeorological events such as floods and droughts, which currently make up 80 percent of disaster occurrences in the country, are projected to increase with climate change.<sup>1</sup> In the long run, Indonesia is also anticipating impacts from slow-onset events namely sea level rise (SLR), increasing temperatures, and shifting rainfall patterns.<sup>2</sup> The poor populations in the rural and lagging regions are expected to face the negative impacts of climate change through multiple channels including increased disaster damage to village infrastructure, water shortage, reduced agricultural yields, increased food insecurity, more prevalence of climate-sensitive diseases (such as diarrhea, dengue and malaria) etc. Java, Bali and Sumatra islands face high and very high risks from climate change compared to other regions due to concentration of populations and infrastructure. Villages in Eastern Indonesia are also particularly prone to more droughts.

4. The 2014 Village Law (No.6/2014) marks a new phase of decentralization that seeks to address inequality while building on year of large-scale community development. The law increases the role

<sup>1</sup> Government of Indonesia (2016), Indonesia's First Nationally Determined Contributions submitted to the UNFCCC

<sup>2</sup> Government of Indonesia (2013), "National Action Plan for Climate Change Adaptation (RAN API): Synthesis Report"

and responsibilities of Indonesia's nearly 75,000 villages, and dramatically increases their funding: the government has channelled nearly \$18 billion to villages in the first three years of implementation (2015-17). Building on Indonesia's 17 years of large-scale CDD experience, the Village Law seeks to integrate key practices of CDD into regular village government systems. It seeks to address multiple objectives, including to make village development more participatory, strengthen village government capacities, make governments more responsive and accountable to citizens, and allow greater autonomy. On village development, Article 78 of the Law stipulates that the objective of village development is to improve villagers' welfare and quality of life, and to *alleviate poverty* through fulfilment of basic needs, development of village infrastructure, development of local economic potential, and sustainable utilization of natural resources and environment.

## **Sectoral and Institutional Context**

5. **In 2014, the Government of Indonesia enacted the Village Law (No. 6/2014), significantly increasing fiscal transfers** to Indonesia's nearly 75,000 village governments and expanding their roles and responsibilities. With this law, villages were established as standalone administrative units with decision-making powers and budgets for the first time. Building on nearly 17 years of experience in community driven development (CDD programs) and against a backdrop of increasing decentralization in the country, the law grants villages the right to regulate and manage village development activities, and supports village governments to finance development, community empowerment and other social activities in line with community needs, with the active participation of their communities.

6. **The Village Law brings about two key changes to the administrative and financial realities of local governance in Indonesia.** First, the law establishes a hybrid model of local governance and CDD, where the village government is simultaneously a self-governing and autonomous entity, as well as a part of the decentralized local government system. With the introduction of Village Law, villages have been established as independent administrative units with decision making powers and budgets for the first time. Building on Indonesia's 17 years of large-scale CDD experience, the Village Law seeks to integrate key principles of inclusion and participation in village planning and budgeting. Village Law also intends to make governments more responsive and accountable to citizens, allow greater autonomy, and more directly involve villages in their own local development. On village development, Article 78 of the Law stipulates that the objective of village development is to improve villagers' welfare and quality of life, and to alleviate poverty through fulfilment of basic needs, development of village infrastructure, development of local economic potential, and sustainable utilization of natural resources and environment.

7. **Second, Village Law has dramatically increased fiscal transfers available to village governments.** Prior to Village Law, village governments received limited funding in the form of transfers from district governments (*Alokasi Dana Desa*). The Village Law dramatically increased budgets available to village governments by (i) mandating an increase in *Alokasi Dana Desa* to be ten percent of district budgets; and (ii) establishing a new source of funding for villages in the form of direct transfers from the national budget (*Dana Desa*) totalling around six percent of the national budget annually. The amount of *Dana Desa* funding allocated to each village is based on a formula that accounts for population size, village size, poverty rate, and degree of geographic isolation. In 2018, the total transfers to villages (*Dana Desa* and *Alokasi Dana Desa*) amounted to IDR 102 billion (US\$8 billion), or an average of around IDR 1 billion per village (US\$ 0.1 million). This represents more than a tenfold increase in village budgets with the introduction of Village Law.

8. **Since its enactment, several key achievements have been realized under Village Law.** First, the Law has succeeded in putting in place a system whereby significant fiscal resources are being transferred directly to village governments in a timely way. In order to receive these funds, village governments must prepare annual plans and budgets, which, by and large, are being submitted to district governments in a timely way for the release of funds. Since 2014, the Government of Indonesia has put in place regulations and systems to govern Village Law implementation, mandating support to village institutions. This includes systems of budget allocation and regulations across subnational governments

mandating supervision and support to village governments, training and capacity building programs, as well as the institutionalization of around 37,000 facilitators to support villages, village development and community empowerment.

9. Despite this progress, key challenges remain in the implementation of Village Law, most notably in improving the quality of village spending and in translating fiscal resources into village development to drive poverty reduction and local economic development. An expenditure review of village spending showed that a high proportion of village budgets are being spent on operational costs and salaries; while Village Law mandates that no more than thirty percent of funds may be spent on operational costs, the expenditure review found an average of nearly forty percent of village spending going to operational costs.<sup>3</sup> Village spending on public works accounted for 38% of the total village budget, whereas social and culture 6%, health and education 5%, and village economy 2%, agriculture 2%, and youth, sports and community 2% of the total village budget.

10. ***Improving the quality of spending at the village level is constrained by several factors.*** First, there is varied administrative and technical capacity of village governments to effectively plan, budget, manage and monitor increased funds.<sup>4</sup> Since the Village Law was enacted, the Ministry of Home Affairs has conducted capacity building and training sessions for around 120,000 village government officials in core functions of planning, budgeting, supervision and monitoring. However, around 380,000 village government officials have yet to receive any training or support services in executing core functions. Outside of core functions, village governments often lack access to technical services to support village development activities effectively, for example for agriculture, basic services, infrastructure, or local economic development. A recent infrastructure audit highlighted that the quality of infrastructure implemented after Village Law declined vis-à-vis CDD programs such as PNPM, due, in large part, to the lack of engineering services available to village governments.

11. Second, many villages lack basic and comparative data and information on village needs, and participation in village planning and budgeting has declined. Several studies have documented a decline in community participation and weakened social accountability systems at the village level. The quality of village level consultative meetings and village representative councils vary significantly, and systems of accommodating and channelling community aspirations is often weak.<sup>5</sup> Villages and citizens lack basic and comparative data and information that would help to inform needs assessments and drive planning and budgeting, including information on investment opportunities and risks (such as from climate change and natural disasters). Existing data collection of village level indicators is fragmented across line ministries<sup>6</sup> and not representative or useful to village governments to inform planning and budgeting. The lack of information and participation weakens the quality of spending at the village level.

12. Third, current systems of oversight and accountability are focused on compliance, with guidelines and regulations emphasizing rules and procedures rather than results. For example, village governments prepare annual plans and budgets, but there is little regulation of the quality of these documents. Village governments prepare separate financial statements for their village budget (*APBDes*) and *Dana Desa*, with separate financial categories and requirements. However, once produced, the statements are not audited and there are currently no financial sanctions exercised at the village level. The *Dana Desa* allocations are transferred annually based on the submission of plans and budgets, and evidence that the previous years' funds have been utilized, without any metric to ascertain the quality of plans, budgets, or spending. These systems continue to emphasize compliance with regulations and guidelines, with little focus on linking these processes to improving the quality of spending, improving utilization of funds, and greater impacts on poverty reduction or socio-economic development.

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<sup>3</sup> ViPER (2017)

<sup>4</sup> Sentinel Villages report (2018)

<sup>5</sup> Sentinel Villages (2018); MAVC Village Law (DATE)

<sup>6</sup> For example, SipeDE in MOV, PRODESKAL in MOHA, basic population data in BPS

13. Finally, the current enabling environment of Village Law continues to emphasize spending on infrastructure and administration, rather than aligning village spending with community aspirations and needs. Villages receive late and inconsistent messages on national village development priorities, and these priorities often change annually. Historical precedent of infrastructure spending means that village governments continue to prioritize infrastructure spending, over investments in health, education, or other social or economic priorities.

14. Village Law has repositioned the village both as an autonomous and self-governed entity and as a part of the decentralized local government. The village government (apparatus) is comprised of a village head, secretary and other officials in charge of various sections (governance, welfare and public services) and affairs (administration, finance and planning). Village heads are elected to six-year terms, and in turn appoint the village government. The village representative council (*Badan Permusyawaratan Desa (BPD)*) plays a role in holding the village administration accountable. Its functions cover (i) approval of village regulations; (ii) channelling community aspirations for budgeting and planning; and (iii) overseeing the village government. BPD members are directly elected by the community. Village regulations are drafted by the village government, together with the BPD, and then opened for public consultation.

15. In 2015, a ministerial decree established the village consultative forum (*Musdes*), which serves as consultative space for citizen participation. The primary role of the *Musdes* is to participate in the annual planning and budgeting process, but the forum may also be convened on an ad hoc basis to deliberate on other village issues. However, Village Law does not clearly lay out systems of accountability for the implementation of village-level governance. Village heads provide annual reports to the BPD and the village community, but there is no specific feedback system required for this report. The quality of participation in the *Musdes* varies significantly across villages in Indonesia. And overall community participation in village governance has declined when compared with CDD programs, with perceptions among community members that participation did not matter in shaping village planning or budgeting, and that the village projects did not belong to the villages.<sup>7</sup>

16. ***Village governments fall under the decentralized government system, specifically under the district administration.*** As such, the mandate for the village government lies with the Ministry of Home Affairs (MOHA), with responsibility for the sub-national administrative structure. Specifically, within MOHA, the Directorate General for Village Government Guidance (*Bina Pemerintahan Desa*), is responsible for village government affairs, including establishing village status and boundary, village elections, building capacity of the village apparatus and council, village financial management, village monitoring and evaluation. MoHA also includes the *Inspector General of MoHA*, which oversees the District-level Local Inspectorates, that in turn play the main role in auditing village performance.

17. However, the Ministry of Villages, Disadvantaged Regions and Transmigration (MoV), claims the responsibility for the implementation of village development and community empowerment overall. The Directorate General for Village Development and Community Empowerment oversees overall village development planning processes, including providing guidance on priorities for the use of *Dana Desa*. MoV also oversees the recruitment and management of nearly 37,000 facilitators, that are deployed at the village, sub-district, district and provincial level to support village development. Of these, nearly 14,000 facilitators are deployed at the village level, where they offer support services to village governments and the community.

18. With Village Law, districts and sub-districts play an increasingly important role in supervising and supporting village governments. In general government entities involved include: (i) the Village Development and Community Empowerment Department (*Dinas Pemberdayaan Masyarakat Desa - DPMD*) responsible for village support and supervision at both the provincial and district levels; (ii) the District Finance Office – (*Badan Keuangan dan Asset Daerah – BKAD*) which is responsible for disbursing *Dana Desa* to villages; (iii) the district-level Local Inspector; and (iv) the District Planning

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<sup>7</sup> Sentinel Villages

Agency (*Bappeda*). At the sub district (*kecamatan*) level, the PTPD plays a coordinating role for village governance and development. One key challenge for districts is that, while roles and responsibilities vis-à-vis villages has increased with the introduction of Village Law, districts have not seen a commensurate increase in budget or fiscal transfers to effectively manage these responsibilities.<sup>8</sup>

## **Relationship to CPF**

19. ***The proposed project contributes to the World Bank Group's Country Partnership Framework (CPF) for the period 2016-2020.*** The 2016-2020 Country Partnership Framework (CPF) identifies three pathways for poverty reduction and shared prosperity: Job Creation; Service Deliveries, Opportunities for All; and Natural Resource Management. The CPF is structured around six Engagement Areas and two Supporting Beams. The proposed operation supports Engagement Area 4: Delivery of Local Services and Infrastructure and supporting Beam II: Shared Prosperity, Equality and Inclusion. It is consistent with Pillar 1: Strengthening the decentralization framework to improve local service delivery and Pillar 2: Supporting the delivery of quality education and health services, water and sanitation in rural areas. Under Pillar 1, the proposed operation is consistent with several of the pillar's strategies, including strengthening the capacity of central government to support and oversee local governments, strengthening the capacity and functions of local governments to deliver local services, supporting citizens to monitor local service delivery, and establishing a performance-based fiscal transfer system. Under Pillar 2, the proposed operation is consistent with the Bank's approach to supporting local implementation of national programs, like Village Law 2014.

20. The proposed operation also supports the government's National Medium-Term Development Plan (RPJMN) 2015-2019 and contributes to the Government's Nawa Cita Strategy that aims to narrow the gaps in poverty and development in Indonesia's lagging regions. The Government's Nawa Cita (the administration's mission statement) and RPJMN 2015- 2019 identify priorities and goals for reducing poverty and inequality. Nawa Cita includes a strong emphasis on developing Indonesia's lagging regions and on improving governance and accountability in the public sector. Transfers to villages, as mandated by the Village Law, are one of the major instruments through which the GoI is pursuing the administration's vision of "building Indonesia from the periphery." The RPJMN aims to boost overall development with specific emphasis on achieving a competitive economy that is based on quality human capital, optimum natural resources management and improved technological capacity. The plan sets out national targets for achieving stable economic growth (growth target: 6-8 percent per year), accelerating poverty reduction (poverty rate target: 6-8 percent by 2019), and reducing disparities and inequality (Gini coefficient target: 0.36 by 2019). The RPJMN includes three pillars: (i) developing a national social protection system; (ii) improving service delivery for the poor and vulnerable; and (iii) promoting sustainable livelihoods for the poor.

21. The proposed operation also supports the Government's climate policy objective in strengthening social resilience to climate change at the village level. Adapting to the impacts of climate change is a high priority of the Government of Indonesia. The country's first Nationally Determined Contributions (NDC) document articulates clear climate policy objective to reduce risks from climate change on all development sectors by 2030 through local capacity strengthening, improved knowledge management, convergent policy on climate change adaptation and disaster risks reduction, and application of adaptive technology.<sup>9</sup> As climate change impacts are experienced locally, achieving these policy objectives calls for strong engagement of local governments and villages. The operation will contribute to achieving these objectives at the local level by promoting climate-resilient village development planning and spending, facilitating peer-to-peer exchange of climate-resilience village innovations, and building climate awareness and preparedness of systems for service delivery to villages in climate-sensitive regions.

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<sup>9</sup> Government of Indonesia (2016), Indonesia's First Nationally Determined Contributions submitted to the UNFCCC.

22. The proposed project will support the Government of Indonesia to improve the quality of spending at the village level by strengthening institutional capacity, improving information systems, and aligning incentive structures leading to improved utilization of Indonesia's fiscal resources at the village level. This will be achieved by (i) improving the performance of the village government and supporting institutions through strengthening capacity building systems based on demands and needs; (ii) improving community empowerment and capacity building systems in order to strengthen participatory development; (iii) introduce a performance-based grant system to support improvements in village government performance; and (iv) strengthening the technology based village information and data systems to improve monitoring and evaluation of village performance, and promoting the use of data in planning and budgeting at the village level. Taken together, these interventions will contribute to strengthening systems of service delivery and socio-economic support that better align with the needs of village communities.

23. ***Project financing vis-a-vis government expenditures.*** The Government of Indonesia transfers around US\$8 billion annually to village governments and allocates around US\$700 million a year towards supporting the implementation of Village Law. However, these support services are currently not leading to high quality planning and village government expenditures to fulfil higher level objectives of poverty reduction and pro-poor village development. The Bank financed investments of US\$350 million over five years will support the Government's systems and processes to become more efficient, cost-effective and demand driven, better linking village institutions with capacity support structures, information systems, and incentives to improve quality of spending. Thus, the World Bank financing of US\$350 million is expected to influence nearly US\$40 billion in fiscal transfers and US\$3.5 billion in budgetary allocations over the period 2019-2024.

24. ***Driving innovation in service delivery through digital solutions.*** Indonesia is currently undergoing a digital transformation, with rapidly expanding information and communication technologies. In 2017, Indonesia recorded 143.26 million internet users, or 53 percent of the population, representing a 30 percent increase over 2015. As digital infrastructure and connectivity continues to improve, there will be growing opportunities to harness digital solutions to improve service delivery. For example, digitizing back-end service delivery—such as integrating e-learning systems or digitizing human resource management functions—has the potential to improve efficiencies, cut costs, and improve oversight within government systems. Beyond this, however, further innovations in digitally based solutions can empower citizens and communities. Global innovations to link end users and citizens with services through a platform-based approach, whereby the government acts as a facilitator or a coordinator of citizen to market, or peer to peer interactions, allows for citizens and communities to connect directly with the people or services that they need. Given the size and scale of solutions needed to effectively cater to the needs of Indonesia's 75,000 village institutions, these solutions provide potential to address core challenges of effective support to villages. These systems and approaches will be pilot tested under the project, with a view to learn and scale, and with significant resources in place to support villages, districts and provinces to best adapt to and adopt these solutions. For more information, see Annex 5 of the Project Appraisal Document (PAD).

## **Project Objective**

### **Project Development Objectives**

25 **The proposed Project Development Objective (PDO) is “to strengthen institutional capacity for improved quality of spending in participating villages”.** This will be achieved through investments to improve and modernize support systems to build capacity of village institutions, improvements to and integration of information systems, and align fiscal transfers to focus on performance and results.

26. **PDO Level Indicators:**

- Villages institutional capacity to execute core functions strengthened (percentage); and
- Beneficiaries feel that village investments meet their needs (percentage, by gender)

## Project Components

27. The Project is divided into four components, which together form a comprehensive program to support the development, rollout, and adoption of systems and approaches for improved village spending on development. Taken together, these components are expected to lead to improvements in the quality of spending of village budgets and result in allocations that are based on local needs and spending priorities. The Ministry of Home Affairs (MOHA) will be the executing agency for the project and will be responsible for Component 1 covering the institutional strengthening and improved oversight of village governments, and support the rollout and adoption of technology-based tools and approaches at the subnational level. The Ministry of Villages, Disadvantaged Regions and Transmigration (MOV) will participate in the project, overseeing Component 2, covering strengthening community empowerment and improving social accountability within village development objectives. The Ministry of National Development Planning/ National Development Planning Agency (*Badan Perencanaan Pembangunan Nasional (BAPPENAS)*) will implement Component 4 of the project, with the objective of improving coordination, monitoring and oversight of the implementation of Village Law. A detailed description of the Project is in Annex 2 of the PAD.

28. *Component 1: Strengthening Village Government Institutions (IBRD US\$160 million)*. The objective of this component is to improve institutional capacity of village governments (*apparat*) so that they are better able to execute their core functions, namely planning, budgeting, supervision and monitoring of village funds. This will be achieved by introducing new tools, systems and approaches to supporting capacity building and oversight strengthening. Specifically, the project will focus on institutionalizing a new learning and capacity building system within the Ministry of Home Affairs that aims to transform how these services are currently provided. The project will support the establishment of a learning platform that expands content and looks to more cost-effective delivery mechanisms, including animation videos, e-learning, blended learning, distance learning, and other tools. Village governments will be able to access customized and core content based on capacity needs. The project will also support the establishment of a marketplace-based approach, that directly links training providers on core subjects with village governments, to expand offerings in capacity building, to build a more demand driven system, and to attain scale in capacity building activities across the country. The project will finance (i) provision of technical assistance targeted to village governments to identify capacity gaps and needs and to formulate capacity building plans; (ii) support to specific capacity building activities under the first two years of the project; (iii) provision of technical assistance in the development of capacity building systems, including guidelines, technical guidelines, modules and supporting instruments for village government core functions as well as to improve village financial management systems (Siskeudes); (iv) development of digital capacity building platforms (web-based learning management systems (LMS)) and management information systems (MIS) as well as strengthening several data system (incl. existing village data profile system, Prodeskel) to improve the oversight and support systems for villages, including the provision of certain supporting equipment, (v) provision of technical assistance and implementation support to the development and supervision of sub-district and district governments, such as strengthening the role of Village Government Technical Facilitators (PTPD) and funding of the capacity building day (CB Day), facilitated once a month, for village apparatus at the sub-district level; (vi) technical assistance for mid-term and final program evaluation studies; and (vii) specific national and regional level workshops for provincial and district level program actors. This component has also identified: (viii) the potential to strengthen women's empowerment training programs through the LMS by leveraging the national Family Welfare Guidance Program (*Pembinaan Kesejahteraan Keluarga, PKK*) in conjunction with relevant NGOs and civil society to develop a program to train and empower women in planning and budgeting at the village level; and (ix) piloting an approach to improve frontline service delivery in participating village government (approx. 60 districts). The project will not finance incremental operating costs for sub national governments or village governments, including additional staff to fulfil core functions, operational costs, travel and supervision costs.

29. *Component 2: Promoting participatory village development (IBRD US\$85.5 million).* The objective of this component is to strengthen the capacity of communities and community groups to more effectively participate in the village development cycle. This will include (i) encouraging the implementation of inclusive village development involving communities and community groups; (ii) ensuring village development takes place in accordance with community needs; (iii) building the capacity of communities and community groups to exercise tools of social accountability; (iv) strengthening systems to improve access to development services; (v) the development training modules related to social accountability, community empowerment and participatory planning and the integration of these modules into the facilitator capacity building program and training rollout; (vi) the development of a digitally enabled Learning Management System to transition the training program to a platform-based approach starting in 2022; and (vii) the development of a digital marketplace platform, as well as associated technical guidelines and regulations for technical service providers (P2KTD). This will be achieved through targeted interventions and strengthening community support systems that target community learning, strengthen systems of information sharing, improve direct facilitation support to communities, and develop systems to facilitate access to services through digital marketplaces. Community learning will be supported by strengthening and improving programs such as *Akademi Desa 4.0* and peer to peer exchanges such as the village innovation forums (*Bursa Innovasi Desa*) through improving content creation/curation and improving efficiency and access to information networks. Technical assistance to support the development, testing and rollout of these solutions will be supported under the project, as well as support to sub-national management of facilitators for the first two years of the project. The project will not finance facilitator salaries, incremental operating costs, training costs for facilitators, or travel and supervision costs.

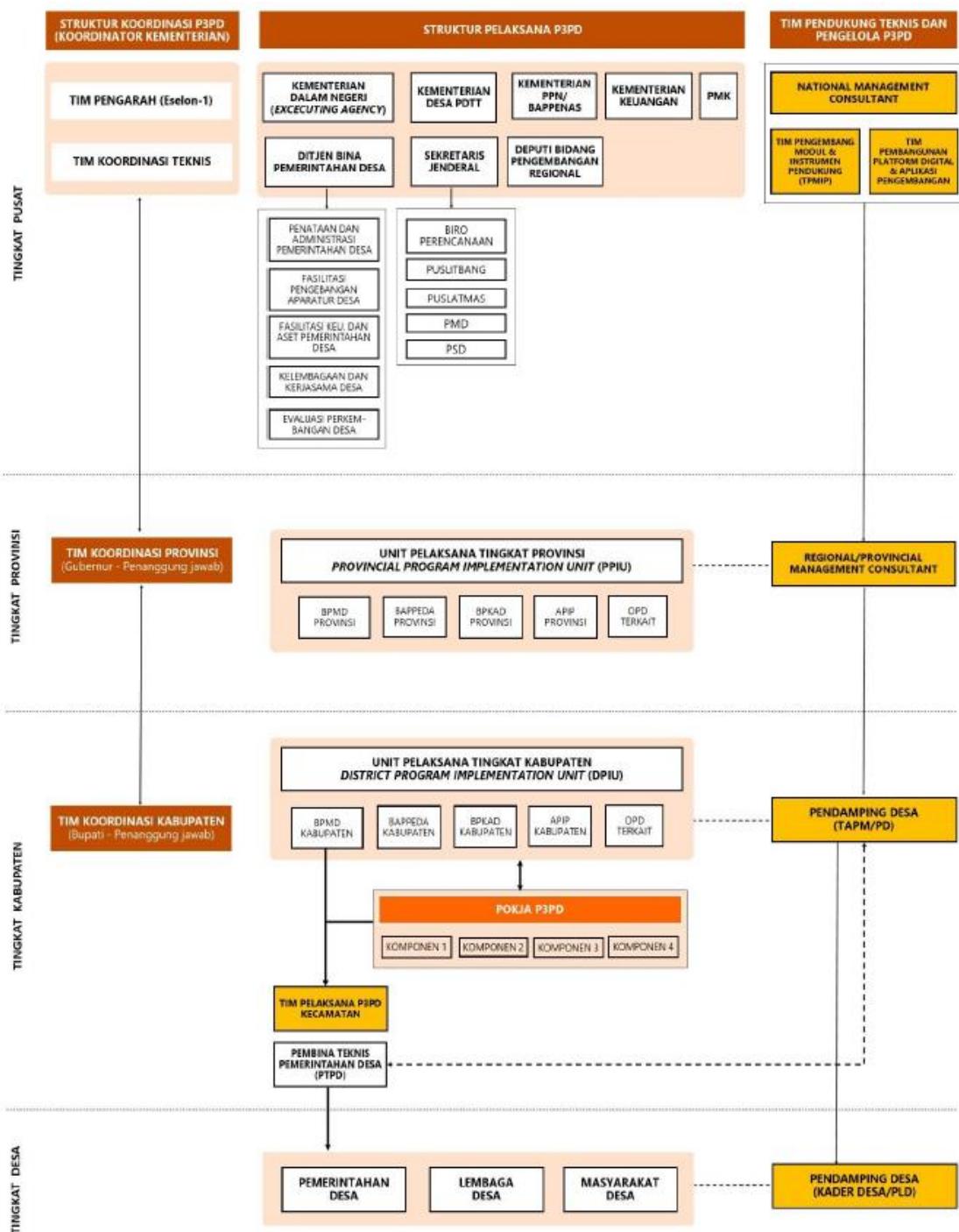
30. *Component 3: National Coordination, Monitoring and Policy (IBRD US\$2.5 million).* The objective of this component is to improve and strengthen national coordination, monitoring and supervision related to village development. This will be achieved through the establishment of an integrated data management system that offers real time incorporation of key metrics for village development under a single information system (*InfoDesa*). This data management system would draw on existing statistical data collected through a variety of government agencies, and will integrate these into a single platform, accessible via a dashboard system that visualizes the data. The integrated data system will allow different levels of government to access integrated information on village development through web and application-based interfaces. This component would finance (i) strengthen Coordinating Ministry for Human Development and Cultural Affairs (*Kementerian Koordinator Bidang Pembangunan Manusia dan Kebudayaan* (Kemenko PMK))'s coordination functions and roles for Village Law; and (ii) develop a national strategy for the improved implementation of Village Law, as well as supported the Secretariat under BAPPENAS to oversee the management and coordination efforts, as well as to oversee the integrated information system.

#### **1.4 Project Organizational Structure and Implementation Arrangements**

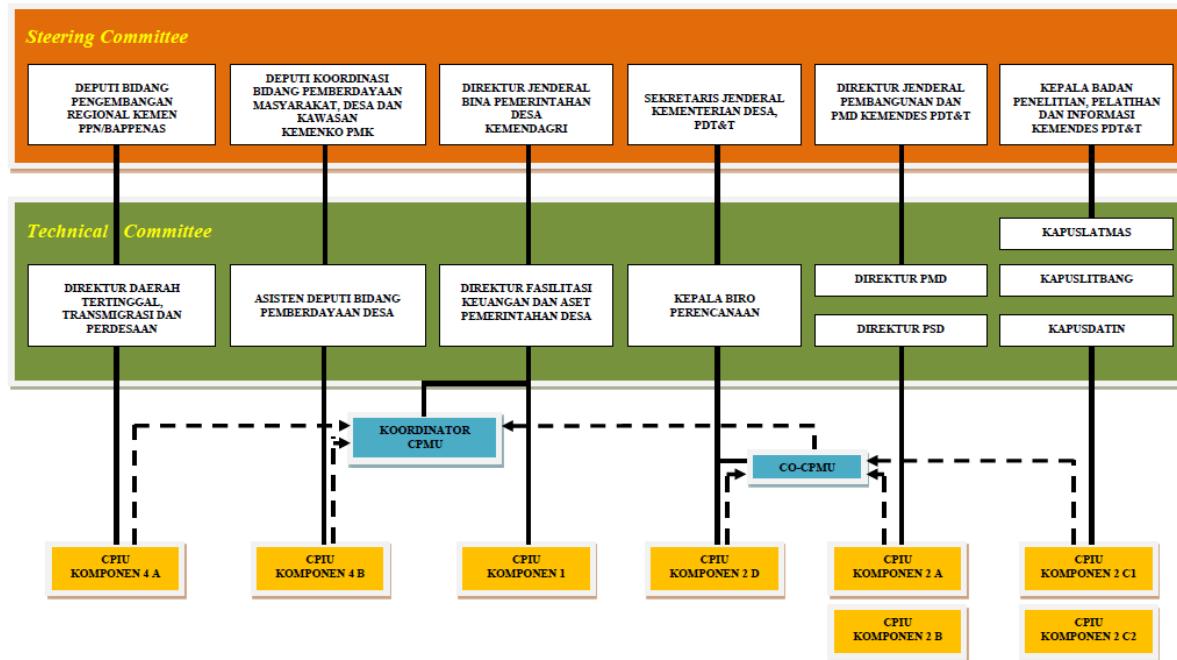
31. The Project organizational structure is presented in Diagram 1 below, and the details are presented in Annex 2. Chaired by BAPPENAS, the Project has a Steering Committee comprises of various ministries and agencies at the national level. Main implementing agencies are MOHA and MOV at the national level, and there are PIUs and Working Group at the provincial and district levels. A Consultant team will assist the PIUs at the national level, provincial and district level. Detail explanation of the project organizational structure and implementation arrangements is presented in Annex 1.

32. The mainstreaming and strengthening of environmental and social sustainability (ESS) aspects in the Project will be part of the activities of the project organizational structure and implementation arrangements. For instance, strengthening the current manuals and guidelines for the village apparatus on ESS aspects will be the responsibilities of the MOHA (CPMU), as MOHA has been responsible for such manuals and guidelines. Similarly, improvement of the ESS aspects in the manuals, guidelines and training for the village community and village facilitators will be in the MOV (CPIU). Structure of responsibilities of ESS strengthening and improvement will follow the current responsibility structure between the MOHA, MOV, the provincial and district governments of the relevant tasks.

**Diagram 1: Organizational Structure of the Institutional Strengthening for Improved Village Service Delivery Project**



## CENTRAL PROJECT MANAGEMENT UNIT (CPMU) P3PD



### 3. POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACTS AND RISKS AND MAINSTREAMING ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

#### 3.1 Potential Impacts and Strengthening Areas

33. Given the nature of the activities explained above, Component 1, 2, and 3 will not involve any physical investment or preparation of any plans that would lead to the implementation of physical investment or activities involving downstream environmental and social impacts and risks. Most Project activities involve establishment of a digitalized, IT-based tools, development of e-platform and e-services for learning, capacity building, marketplace for capacity services, knowledge management, harmonization and simplification of regulations, oversight and monitoring, and integrated information and data-system management. Anticipated potential environmental impacts would be in the form of electronic waste as consequences of the expansion of the existing and/or purchase of information and communication infrastructure required including hardware, software, design, and upgrading data centers. Expansion of the existing and/or new installation of IT hardware would take place in the CPIUs. With the introduction of the digitalization using the information technology, the Project will promote social transformation in the implementation system of the Village Law. This would be a challenge for all stakeholders involved in the Village Law implementation, including the village communities and apparatus, consultants, facilitators, sub-districts, districts, provincial and MOHA as well as MOV. Table 2 (Indicative Key Strengthening Areas) provides the elements of mainstreaming environmental and social sustainability aspects in the capacity building and institutional strengthening system.

34. Although Component 1, 2 and 3 do not involve any physical investment or preparation of any plans that would lead to the implementation of physical investment or activities involving downstream environmental and social impacts and risks, the Project will ensure that improved capacity of village government include awareness and capacity to implement environmental and social sustainability considerations, through mainstreaming the principles and provisions for managing potential environmental and social impacts, and improvement of stakeholder engagements, inclusion of vulnerable groups, Indigenous Peoples community, and gender as well as complaint handling system into the new and improved village plan, village annual budget plan, guidelines, training modules, terms of references for the facilitators and monitoring and supervisory team/unit.

35. Environmental and social sustainability for these components will also include among others, aspects of climate-resilient village, disaster management, environmentally friendly agricultural practices, labour and gender-based violence management. Principles and provisions of these aspects will be mainstreamed in the improvement of the capacity building and institutional strengthening system of the Project, such as regulations, manuals, training modules, training delivery system, terms of references for TA, consultants and/or facilitators.

36. Special attention will also be given for IPs community under OP 4.10. Social sustainability for Components 1, 2 and 3 will also include measures to enhance the inclusion of benefits to IP and the delivery of culturally appropriate benefits through the strengthening of the existing systems and tools (for instance, concerning training, capacity building, knowledge management, regulations, and M&E). The Project will consider include a more pro-active approach to IP inclusion and development benefits through a more pro-active targeting of IP communities, additional support (TA/PD) in areas with IPs, a broader menu of eligible investments for IPs, monitoring and evaluation of IPs participation and benefits during project implementation. Results of Project monitoring and evaluation will be used to improve the capacity building delivery (such as for the PDs and village apparatus) and/or manuals tailored to the needs to increase IPs participation and benefits.

### **Labor and Gender-Based Violence**

37. The proposed Project Development Objective of the Institutional Strengthening for Improved Village Service Delivery Project is to “*strengthen institutional capacity for improved quality of spending in participating villages.*” Financing for this project is expected to help improve and strengthen institutional capacity, and information systems to improve the quality of village level spending.

38. The World Bank has specific guidelines for the protection of workers, prevention of gender-based violence (GBV) and standards to manage poor labor conditions, and also prevent child and/or forced adult labor. These guidelines include definitions of what are worker categories; what are the labor standards to follow (safety, fair treatment, worker protection) among others. Likewise, for gender-based violence, Bank guidelines define conditions under which women and girls are likely to face harm due to project interventions. These are mainly, but not restricted to, circumstances which arise from large civil works requiring labor influx (either from other countries or other regions in a country). Large-scale civil works are known to increase GBV risks and prevention measures must be established.

39. Given that the proposed Project is focused on capacity building and institutional strengthening to improve local Government’s ability to plan, budget, and implement village development activities; strengthen Government coordination to implement the village law; and to improve the data collection, monitoring and evaluation systems, it is not expected that issues related to harmful labor practices nor risk of GBV apply. To capture a wide range of grievances, the Project’s Grievance Redressal Mechanism will be tailored to ensure a safe modality of communicating sensitive information using a variety of methods. Attention to local cultural conditions including on gender norms will be given to ensure the GRM in place is appropriate and resolution oriented. In addition, the Project will ensure that improved capacity of village government includes awareness raising on inclusion of vulnerable groups and gender and that such awareness programming is mainstreamed in learning modules, village annual plans, guidelines, training modules, and terms of references for the facilitators and monitoring and supervisory team/unit.

### **Institutional Capacity**

40. The Implementing Agencies of the Project (CPMU/CPIU of MoHA and MoV) are responsible to ensure that environmental and social sustainability is mainstreamed in the Project<sup>10</sup>. Both agencies have involved in the PNPM-Rural and are aware of the importance of environmental and social

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<sup>10</sup> See Annex 1: Project Implementation Arrangements and Support Plan.

sustainability aspects in the implementation of the Village Law. Nonetheless, capacity still needs to be strengthened to ensure that environmental and social sustainability aspects as specified in various regulations, technical guidelines, manuals and training modules are consistently implemented. In general, the awareness of the district, sub-districts, and village governments is limited, and capacity to implement good practices in environmental management and social aspects particularly land required for the physical investment financed by *APBDes* needs to be continuously strengthened. A World Bank Study on the Evaluation of Infrastructure Built with Village Funds (2018) suggested that 74% of the sampled sub-projects had been implemented using appropriate environmental safeguards practices, but only 34% of the sampled sub-projects had correctly followed the social safeguards mechanisms as stipulated in the Village Development Guidelines<sup>11</sup>. This Study also found that on 3% of the sampled sub-projects have met the voluntary land donation guidelines.

41. To address the above situation, in addition to training provided to the PTPD and PD as well as to the village apparatus with modules and training delivery that have mainstreamed environmental and social sustainability (ESS) provisions, the Project intends to (1) strengthen the monitoring and supervision activities by including monitoring indicators representing the inclusion of ESS sustainability; (2) include the local environmental agency during the preparation of the Work Plan prepared by the TPK to review the plan; (3) include the ESS sustainability aspects in the monitoring and supervision activities to villages.

## **OBJECTIVES OF THE ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF)**

42. The objective of this Environmental and Social Management Framework (ESMF) is to provide reference and guidance for the Project management staff at national, provincial, district, sub-district and village levels, as well as consultants, facilitators and community groups participating in the implementation of Village Law on:

- (a) strengthening the environmental and social sustainability considerations appropriately into the new and current instruments and approaches for capacity building and institutional frameworks system such as guidelines, manuals, training modules and deliveries for planning, budgeting, implementation, monitoring and supervision of village sub-projects;
- (b) institutional arrangements for implementing the environmental and social sustainability aspects in the Project;
- (c) GRM, public consultations, disclosures, and capacity building plan; and
- (d) Monitoring.

43. This ESMF is an updated version of the Project's original ESMF prepared of January 2019, accompanying the Project restructuring. The Project restructuring covers: (i) modification of key activities to more aligned with emerging priorities of the Government for Village Law implementation; (ii) update implementation arrangements, including clarifying coordination, with new institutional arrangements put in place since 2019; and (iii) drop activities that are no longer priorities for Government. The updated ESMF has been virtually consulted with all project management staff and CPIUs consultants on 24 March 2022. Based on the consultation, it is confirmed that the objectives, principles, and requirements of the triggered environmental and social safeguard policies in the updated ESMF remain relevant to the modified activities under Component 1,2 and 3 and will continue to be mainstreamed in the Project guidelines, manuals and training modules for the respective local government staff and facilitators.

44. This ESMF is prepared with reference to the relevant Indonesia Laws and Regulations on environmental and social sustainability, World Bank OP 4.01 on Environmental Assessment, and OP 4.10 on Indigenous Peoples as well as WBG Environmental, Health and Safety Guidelines; and also outlines the Indonesian protocols and practices to manage e-wastes.

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<sup>11</sup> *Peraturan Menteri Dalam Negeri* No. 114/2014 on the Village Development Guidelines.

## ENVIRONMENTAL AND SOCIAL SUSTAINABILITY ASPECTS IN THE CURRENT IMPLEMENTATION OF THE VILLAGE LAW AND KEY AREAS OF STRENGTHENING

45. Law No. 6/2014 and its implementing regulations stipulate the responsibility and authority of the village among others, to develop and maintain infrastructure and environment in accordance with its capacity and available local resources; to carry out environmental management of the village; to promote inclusive development (including the poor, women, local culture, tradition, customary community – including IPs) through participatory planning and monitoring; and to promote disclosure and manage complaints.

46. Manuals and training modules. The implementation of the Village Law is guided by various guidelines, manuals and training modules, issued by the MOHA and the MOV. Relevant to environmental and social sustainability aspects are:

### Guidelines:

- a. MOHA Regulation No. 114/2014 on Village Development Guidelines
- b. MOHA Regulation No. 1/2016 on Management of Village Asset
- c. MOHA Regulation No. 2/2017 on Provision of Minimum Service Standard
- d. MOHA Regulation No. 20/2018 on Village Financial Management
- e. MOV Regulation No. 2/2015 on Guidelines for Decision Making Procedures and Mechanisms in Village Consultations
- f. MOV Regulation No. 3/2015 on Village Mentoring
- g. MOV Regulation No. 13/2020 on the Priority for the Utilization of Dana Desa 2021<sup>12</sup>
- h. MOV Regulation 21/2020 on Village Development and Community Empowerment
- i. Other MOHA and MOV regulations related to village governance/development and community empowerment.

47. Amongst the above-listed guidelines, environmental and social sustainability aspects have been explicitly stipulated in the Village Development Guidelines, notably in the preparation and implementation of the Medium-term Village Development Plan (*RPJMDes*) and Village Annual Work Plan (*RKPDes*). For *RKPDes*, Article 62, 67 and 68 stipulate that the Implementor of the Activity (*Tim Pelaksana Kegiatan = TPK*) should prepare documentation for the land and assets that need to be acquired for the sub-project or activity (voluntary land donation or direct purchase), prepare a report on the assessment of potential environmental and social impacts, ensure that documentation of land transfers are properly prepared; ensure that poor households are properly compensated for their acquired land and assets by the *APBDes*. Furthermore, the Guidelines also stipulate the mechanisms for inclusive public consultations (for *RPJMDes*, Article 25; for *RKPDes*, Article 46, including women, poor community); complaint handling (Article 78), monitoring and supervision of the village community during the planning and implementation of the village development (Article 85). The Guidelines state that information disclosures of the *RKPDes*, *APBDes* and Work Plan are carried out through public consultations at various levels in the village, web-based village information system, information board, and other available venues.

48. The MOV Regulation 16/2018 on the Priority for the Utilization of *Dana Desa* (DD) 2019 stipulates that DD can be used for village development and community village empowerment. Across these two development areas, it promotes sustainable village development, environmental preservation, disaster management, also provide special attention for vulnerable groups including women, the poor families, disabled and stunting. The regulation also requires public consultations and development of information and communication management through various media. Further, the regulation stipulates that priority of the utilization of the DD should be discussed in the preparation of the preparation of the *RKPDes* through public consultations.

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<sup>12</sup> MOHA issued a Regulation on priority of village fund utilization as guidance for village to set annual budget program; previous regulations since the project approved are MOHA Regulation No. 16/2018 and No. 11/2019.

49. Based on the reviews of the above-said regulations, the Project is planning to strengthen the environmental and social sustainability aspects, either in the new and/or each of the above-listed regulation or by developing a Technical Guidelines for Environmental and Social Sustainability for the implementation of the Village Law. Strengthening of the environmental and social sustainability aspect is particularly needed during the preparation and implementation of *RPJMDes* and *RKPDes*; preparation and implementation of *APBDes* and design of sub-projects (during the preparation of the *Rencana Kegiatan*) to be financed by the *APBDes*, as well as the monitoring and supervision of the implementation of these plans. Strengthening areas may include detail guidance of: (1) sub-projects negative list; (2) identification of potential environmental and social impacts/issues; (3) preparation of mitigation measures instruments; (4) documentation of voluntary land donation or other schemes of land acquisition; (5) documentation of the implemented instruments; (6) meaningful consultation; (7) disclosures; (8) budgeting the preparation and implementation of the instruments; and (9) monitoring and supervision of the implementation of the *RPJMDes*, *RKPDes*, *APBDes* and Work/Activity Plan (*Rencana Kegiatan*).

49. In addition, social sustainability includes measures to enhance the inclusion of benefits to IPs and the delivery of culturally appropriate benefits through the strengthening of the existing guidelines/manuals, training modules, and training delivery. The Project will include a more pro-active approach to IPs inclusion and development benefits during the preparation and implementation of *RPJMDes*, *RKPDes*, *APBDes* and design of sub-projects.

50. The Project is planning to use lessons learned and leverage the relevant materials that have been developed in the PNPM-Rural Project's environmental and social safeguards operational technical guidelines.

Training Modules to be further updated and/expanded under this Project:

- a. Pre-assignment training modules for village facilitator for infrastructure (*PD-TI*)
- b. Pre-assignment training modules for village facilitator for empowerment (*PD-P*)
- c. Pre-assignment training modules for local village facilitator (*PLD*)
- d. Training modules related to community empowerment, social mapping and participation into the training program for facilitators (*PD* and *PLD*)
- e. Training modules for *PD* and *PLD* to support MOV in the development of a technical service provider marketplace (*P2KTD*)
- f. Training modules for village apparatus in preparing the *RPJMDes*, *RKPDes* and *APBDes* (not yet available)
- g. Training modules for village councils
- h. Training modules for Family Welfare Guidance Program (*PKK*) to strengthen and empower women

51. Amongst the above-listed training modules, environmental and social sustainability aspects is only covered in the pre-assignment training modules for village facilitator for infrastructure (*PD-TI*). It covers brief principles on land acquisition, IPs, timber management, and resettlement, screening criteria, outcome indicators for environmental and social safeguards management, the roles of *PLD* and village cadres in ensuring the implementation of environmental and social safeguards; evaluation and environmental management (physical and social), and strategy for reducing and mitigating impacts due to disasters. The module also includes the format for voluntary land donation, identification of potential environmental impacts, and a format on the commitment for operation and maintenance of the infrastructure. Some of the ongoing capacity building activities carried out by MOHA and MOV are presented in *Annex 2* and *Annex 3*.

52. Capacity and current practices. Overall, awareness and capacity of the stakeholders involved in implementing the village law on the environmental and social sustainability (ESS) are limited, including at the central level (MOHA and MOV), provincial, district, sub-district and village level. Some of the MOHA staff who were involved in the PNPM-Rural are aware of the environmental and

social sustainability. Further, village facilitators who had been involved in the PNPM-Rural have some awareness and understanding on environmental and social sustainability and used their knowledge during their facilitation to the village community. However, in general, facilitators (Village Facilitator (*PD*: *PD-P* and *PD-TI*) and Local Village Facilitator (*PLD*)) have a very limited awareness and capacity on environmental and social sustainability.

53. Awareness and capacity of the village apparatus in environmental and social sustainability aspect for the physical investment financed by the *APBDes* is very limited. Environmental mitigation measures were not planned during the sub-project design but implemented based on needs identified during the construction. Consistent with the findings of the World Bank Study on the Evaluation of Infrastructure Built with Village Funds (2018) mentioned above, field visit to villages (such as *Kabupaten Aceh Utara*) revealed that voluntary land donation was rarely documented, although the village apparatus agreed that it is important to avoid conflict in the future. The *PTPD* (*Pendamping Teknis Pemerintahan Desa*) who oversees and advises the village in preparing the *RKPDes* and *APBDes* have also limited awareness and knowledge in environmental and social sustainability aspect, similarly with the *PD* and the *PLD*.

54. As explained in Section 2, to address the above situation, in addition to training provided to the *PTPD* and *PD* as well as to the village apparatus with modules and training delivery that have mainstreamed ESS provisions, the Project intends to (1) strengthen the monitoring and supervision activities by including monitoring indicators representing the inclusion of ESS sustainability; (2) include the local environmental agency during the preparation of the Work Plan prepared by the *TPK* to review the plan; and (3) include the ESS sustainability aspects in the monitoring and supervision activities to villages carried out by the *PTPD*.

## **5. FRAMEWORK FOR MAINSTREAMING ENVIRONMENTAL AND SOCIAL SUSTAINABILITY ASPECTS IN THE CAPACITY BUILDING AND INSTITUTIONAL STRENGTHENING OF THE IMPLEMENTATION OF THE VILLAGE LAW**

55. While the Project supports the implementation of the Village Law through the establishment and use of digital information technology (internet and off-line), the assessment presented in the Section 2 and Section 4 above suggest that strengthening areas for environmental and social sustainability aspects is needed to ensure that ultimately the planning and implementation process, the various plans and their implementation at the village level ensures sustainable development that benefits all population segments. The system strengthening is expected to promote a more effective and sustainable spending of the *APBDes* as avoidance and impact mitigation measures will have been planned upstream at the *RKPDes*, *APBDes* and activity design stage. The following is an indicative key strengthening areas which will be elaborated and confirmed in the first year of Project implementation (as the Project implementation was delayed, confirmation will be done starting 2022) as mainstreaming environmental and social sustainability aspects in the capacity building and institutional strengthening system will be developed based on needs.

56. The indicative key strengthening areas on ESS sustainability aspects are presented in Table 2 below include:

- a. aspects of climate-resilient village, disaster management, environmentally friendly agricultural practices, labor and gender-based violence management
- b. provisions to enhance the inclusion of benefits to IPs and the delivery of culturally appropriate benefits
- c. provisions for managing potential environmental and social impacts, and improvement of stakeholder engagements, inclusion of vulnerable groups, Indigenous Peoples community, and gender as well as complaint handling system.

in the new and existing regulations, guidelines, training modules, awareness training, integrated database management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit.

57. Awareness training should also be provided for the TAPMD, PTPD, officials of DPMD, and District Inspectorate, as well as for the *Pelaksana Kegiatan* (Activity Implementor) at the village level on the environmental and social sustainability aspects in the preparation of the *RPJMDes*, *RKPDes*, *APBDes*, and activity design.

**Table 2: Indicative Key Strengthening Areas<sup>13</sup>**

<b>Regulations/Guidelines/Training Modules</b>	<b>Element of strengthening areas<sup>14</sup></b>
- Village Development Guidelines	Improvement of the existing environmental and social sustainability aspects
- Village Financial Management	Add environmental and social sustainability aspects
- Guidelines for Decision Making Procedures and Mechanisms in Village Consultations	Add environmental and social sustainability aspects
➤ Village Mentoring	Add environmental and social sustainability tasks, particularly the PLD
➤ Priority for the Utilization of <i>Dana Desa</i>	Add environmental and social sustainability aspects
➤ Or, develop new Technical Guidelines on Environmental and Social Sustainability for the Implementation of Village Law	As relevant, leverage lessons learned and the PNPM-Rural Technical Operational Guidelines
<b>Training Modules</b>	
➤ Pre-assignment training modules for village facilitator for infrastructure (PD-TI)	Improvement of the existing environmental and social sustainability aspects
➤ Pre-assignment training modules for village facilitator for empowerment (PD-P)	Add environmental and social sustainability aspects
➤ Pre-assignment training modules for local village facilitator (PLD)	Add environmental and social sustainability aspects
➤ Training modules for village apparatus and village community group (LKM, KPMD, etc.) in preparing the <i>RPJMDes</i> , <i>RKPDes</i> and <i>APBDes</i>	Add environmental and social sustainability aspects
<b>Awareness Training</b>	
- Awareness training modules for the preparation and implementation of RPJMDes, RKPDes for the TAPMD (esp. TA-ID), PTPD, officials of DPMD, and District Inspectorate (new), provincial <i>satker</i>	Develop new modules - substance of environmental and social sustainability are mainstreamed
<b>Integrated Data-based Management</b>	Develop attributes related to information on the environmental and social sustainability aspects
<b>Terms of References</b>	
1. TAPMD (esp. TA-ID) 2. PD-TI 3. PD-P 4. PLD	Add tasks for providing oversight and/or mentoring in ensuring environmental and social sustainability aspects are considered in the <i>RPJMDes</i> , <i>RKPDes</i> , <i>APBDes</i> , Activity Design
Integrated data-based management	Include attributes related to ESS aspects, such

<sup>13</sup> Element of strengthening areas will be elaborated and confirmed during the first year of Project implementation (which will be done in 2022 as the Project implementation has been delayed).

<sup>14</sup> Improvement or additional of the elements of the environmental and social sustainability aspects vary among these guidelines/training modules depending on the users/target groups.

Regulations/Guidelines/Training Modules	Element of strengthening areas <sup>14</sup>
	as information on land donation, natural resource development, etc.

## 6. ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

58. The ESMF is an instrument that examines the issues and impacts associated when a project consists of a program and /or series of sub-projects, and the impacts cannot be determined until the program or subproject activities details have been identified. The ESMF set out the principles, rules, guidelines, instruments, and procedures to assess the environment and social impacts. It contains measures and plans to reduce, mitigate and/or offset adverse impacts and enhance positive impacts, provisions for estimating and budgeting the costs of such measures, and information on agency(ies) responsible for addressing project impacts.

59. The Project triggers OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitat), OP/BP 4.36 (Forest), OP/BP 4.11 (Physical Cultural Resources) and OP/BP 4.12 (Involuntary Resettlement) as it provides opportunities to mainstream the provisions or objectives, principles and requirements of these Policies in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit.

60. Implementing the ESMF is the overall responsibility of the CPMU in MOHA with support from the CPIU at MOV, and PIUs in Bappenas and Kemenko PMK. With the help of an NMC, the CPMU will ensure the mainstreaming of the objectives, principles and requirements of the triggered safeguards policies in new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit.

61. While under project components 1,2 and 3, the likely impacts have already been identified in terms of potential electronic waste as consequences of the introduction of a digitalized, IT-based tools, development of e-platform and e-services for learning, capacity building, knowledge management, harmonization of regulations, oversight and monitoring, and integrated information and data management. Components 1, 2 and 3 will not involve any physical or preparation of any plans that would lead to the implementation of physical investment or activities involving downstream environmental and social impacts and risks. The measures for preventing the environmental impacts of the e-waste to the environment and human health seems quite straight forward and will follow a procedures or protocol for e-waste disposal which developed by the Government. However, awareness program and capacity building will need to be arranged, to educate people and whole community on issue of e-waste, its potential impact and how to manage the risks. The procedure is described below under section 6.1.

### 6.1 Protocol for E-Waste Disposal

62. The proposed project activities will not involve any physical investment or preparation of any plans that would lead to the implementation of physical investment or activities involving downstream environmental and social impacts and risks. However, likely activities relevant to establishment or development of e-platform for facilitation services and e-learning platform as well as strengthening data base system might involve investment in digital/electronic equipment or hardware, e.g., computers and other electronic equipment at the Central Level (CPMU and Co-CPMU/CPIUs); which manage based on Indonesia regulations on asset management governing the asset inventorying and procedure for disposal. Subsequently, the World Bank's Safeguards Policies OP 4.01 on environment assessment will be triggered due to its potential of electronic waste (e-waste). E-waste is any electronic items or equipment which no longer needed (whether still functioning or broken) and which intended to be discarded. This type of waste is categorized as hazardous waste because it contains various hazardous

and toxic materials such as lead, mercury, arsenic, cadmium, selenium and chrome. Hazardous waste included e-waste is a specific waste which need special treatment. Without a proper disposal management, this e-waste can cause negative impact to the human health and environment. Detail of e-waste management is presented in *Annex 4*.

62. The following are a list of some electrical and electronic equipment relevant to Information Technology (IT) and Telecommunications equipment which subject to e-waste disposal management:

- Centralized data processing systems: mainframes, mini-computer
- Personal computing:
  - Personal computer (Central Processing Unit with input and output devices)
  - Laptop (Central Processing Unit with input and output devices)
  - Notebook computers
  - Notepad computers
- Printer including cartridge
- Copying equipment
- Electrical and electronic typewriter
- User terminal and systems
- Facsimile
- Telephones

63. The government is responsible for hazardous waste management. The Law no 32/2009 on Protection and Management of the Environment and the Law no 18/2008 on Solid Waste Management cover in general the need to manage hazardous waste from all sources. Government Regulation No 101/2014 on management of hazardous waste, specifically regulate how to determine, reduce, storage, collection up to dumping and transboundary movement of hazardous waste as well as emergency response. The formulation of the e-waste protocol for this project shall adopt the Indonesia regulations as well as the WBG Environmental, Health, and Safety (EHS) Guidelines on Hazardous Materials and Waste Management<sup>15</sup>. The government need to ensure that the e-waste is handled properly while community/individual must participate in reducing, separating and bringing this waste to the dropping point or Temporary Collection Facility for further collection by certified waste collector company.

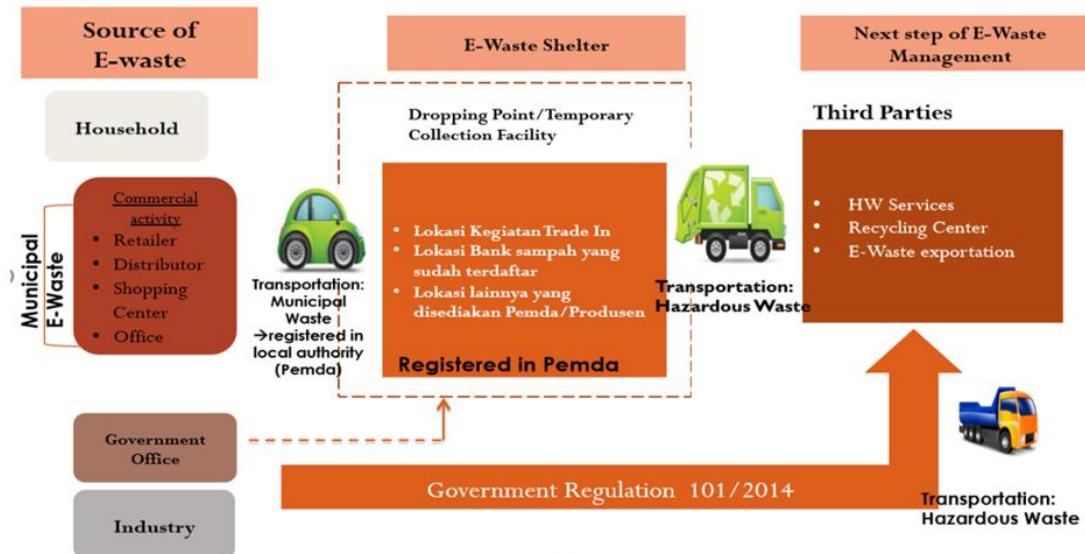
64. The general procedures for local e-waste disposal activities from the source (e.g. household, commercial, government office, industry, etc.) to the disposal or recycling centers are as follows (refer to Diagram 2):

- Separate the e-waste from other waste.
- Place the e-waste in “Dropbox” or other proper container
- Transport of e-waste to the E-Waste Shelter: Dropping-off Point/Temporary Collection Facility
- Transport of e-waste to the disposal facility or recycling center.

**Diagram 2: E-Waste Management**

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<sup>15</sup> <https://documents1.worldbank.org/curated/en/157871484635724258/pdf/112110-WP-Final-General-EHS-Guidelines.pdf>



The specific Environmental, Health, and Safety (EHS) protocol at each stage of the e-waste management process shall refer to the government regulation complemented by the WBG EHS Guidelines on Hazardous Materials and Waste Management, which outlines the procedures for storage, spill and emergency response, transportation, OHS, and SOPs for different parties involved in the handling of the e-waste. The Government Regulation No. 101/2014 about Hazardous Waste Management is meeting the requirements of WBG EHS Guidelines and its implementation is carefully monitored and controlled by a dedicated DG in the Ministry of Environment and Forest.

Other options for removing e-waste:

- “Trade in”. Prior arrangement needs to be made during procurement of the electronic equipment;
- Collection by third party/ certified waste collector company

## 7. PROTOCOLS FOR OBTAINING LAND: PROVISIONS TO BE MAINSTREAMED

80. The project would support mainstreaming protocols for obtaining land into the Government's programs and policies, where applicable. These would include:

### 7.1 Willing-buyer Willing-seller Protocol

80. The village might need to purchase land through a willing-buyer willing seller (WBWS) principle. In this case, the protocols are as follows:

- a. Land should be free of claims or encumbrances;
- b. The transaction should be through voluntary sale at market price or using a certified independent appraisal;
- c. Land should not be occupied and/or utilized by third party, if so, the land owners or the village needing the land should find alternative land/location/livelihood for such third party, or agree on the form and level of compensation;
- d. Process of negotiation, agreement and market price/appraised price, land release, prove of land rights, etc. should be documented;
- e. The village should have alternative site (the project is not site specific) or design for the project, in the case that land owner disagree to sell the land.

### 7.2 Voluntary Land Donation Protocol

81. Land needed for a project to be financed by the *APBDes* will be identified during the preparation of the *RKPDes* (*Rencana Kerja Pemerintah Desa*). As has been the case with the ongoing implementation of the *APBDes*, land needed for a project is relatively small and was voluntarily donated by the community members. Identification of land needs starts during the *RKPDes* preparation through a participatory approach, and confirmation of the need (size, for what purpose, location) is done during the preparation of the design of the project (project document). Voluntary land donation (VLD) might be in the form of: (a) transfer of rights of part of the land from the land donor to the beneficiaries (i.e. village administration for a project); (b) permit for land utilization/use for an agreed time-period whereby the land owner keeps its land rights but cannot use that land; (c) land for easement (usually for a linear project such as pipe) whereby the land owner keeps its land rights and in many cases are able to continue using that land. The protocol of voluntary land donation (see *Annex 5* for VLD format) is as follows:

- a. The project should not be site-specific, if the land owner does not want to voluntarily donate part of his/her land, the project can be located to other site or alternative design is available.
- b. The land donor will receive direct benefit from the subproject.
- c. The land donor is not categorized as poor.
- d. The land donor is the legitimate owner of such lands.
- e. The land donations must apply to agreed priority subproject.
- f. Purpose and impacts of proposed activities on donated land must be fully explained to the donor.
- g. The land donations shall not cause relocation nor cause the land owner to lose their land and livelihood in a significant manner.
- h. The donated land is <10% of the total productive land size.
- i. The donated land is not in dispute.
- j. The location and land size are identified by land owners and verified by *Tim Pelaksana Kegiatan* (TPK) and it should be free from any environmental impact and health risk.
- k. There are no structures of historic or cultural value on the donated land.
- l. There is no third-party occupying and/or utilizing the donated land, and if so, then the landowner or the project should compensate them with other site, livelihood options or other option agreed by those occupying/utilizing the land, the land donor and the TPK.
- m. The land donor shall receive clear and complete information about their rights. The landowner needs to be informed about their rights to receive compensation before making the decision to donate the land voluntarily. The donor may request monetary or non-monetary benefits or incentive as a condition for donation.
- n. All family members of the donor must be aware of the donation. Individuals using or occupying community or collective lands must also be aware of the donation.
- o. For community or collective land, donation can only occur with the consent of individuals using or occupying the land.
- p. Verification must be obtained from each person donating land (either through proper documentation or through confirmation by at least two witnesses).
- q. Any donated land that is not used for its agreed purpose is returned to the donor.
- r. In addition, the following aspects need to be carried out:
  - i. TPK should provide an opportunity to landowners to have an independent consultation prior to making the decision to voluntarily donate their land for the subproject.
  - ii. Consultation with landowners concerning land donation must guarantee that no pressure is applied to landowners in the process of deciding on whether to donate land.
  - iii. Landowners have the right to refuse the land donation and TPK should take measures to identify alternative locations for the project activity. The right of refusal is specified in the donation document the donor will sign.
  - iv. Voluntary land donations must be documented in a legal document, the Statement Letter for Land Donation, to be signed by landowners, TPK and head of village, BKM, witnesses, as well as heirs. A template Statement Letter for Land Donation is provided in *Annex 5*.

- v. If the land is only permitted for land use or for easement, a Statement Letter is required and should be signed by landowners, TPK, and head of village and witnesses, as well as heirs. A format for the Statement Letter on the Permit for Land Utilization/Use is presented in *Annex 6* and the Format of the Statement Letter on Permit for Land Easement is presented in *Annex 7*.
- vi. The TPK should attach all other documentation related to voluntary land donation including minutes of meetings, grievances and procedures for the settlement of disputes.
- vii. Grievance mechanism should follow the project's grievance mechanism. If necessary, the grievance process involves the participation of reviewers who are not directly affiliated with the project implementers or not traditional leaders who are a party to the donation process.
- viii. An original copy of the Statement Letter should be kept both by the landowner and by the TPK as part of the project document. A copy of the Statement Letter should be put in the village office. The project document should be made available for the public.
- ix. The donated land should be legally processed for its ownership status after the land is donated.
- x. Any taxes to be paid by the land donor for the registration of the land transfer, if applicable, should be covered in full by the project.
- xi. The documentation of the donated land is made available for review in any grievance that may arise.

### **7.3 Village Land**

82. The village might need to locate or use village land for a project (see *Annex 6* for Permit for Use). In this case, the protocols are as follows:

- a. Land should be free of claims or encumbrances;
- b. Land should not be occupied and/or utilized by third party, if so, the village needing the land should find alternative land/location/livelihood for such third party, or agree on the form and level of compensation;
- c. The village should have alternative site or design for the project, in the case that the land cannot be used for the proposed project;
- d. Release of village land to be used by the project should follow the prevailing procedures and regulations;
- e. Proportion of the land to be used by the project should not significantly impact the income of the village or the village apparatus;
- f. The process and permit of village land use conversion should be well-documented.

### **7.4 Government Land, SOE's Land, Private Sector Land**

83. In the case that the village need to locate its project (partly or wholly) on the government land, SOE's land or private land, the following should be followed:

- a. Land should be free of claims or encumbrances;
- b. Land should not be occupied and/or utilized by third party, if so, the village needing the land should find alternative land/location/livelihood for such third party, or agree on the form and level of compensation;
- c. The village should have alternative site or design for the project, in the case that the land cannot be used for the proposed project;
- d. Permit to use government land (including forest land), SOE's land and/or private land should follow the prevailing procedures and regulations;
- e. Process of obtaining permit to use from the land owner(s) should be well-documented and one of the original copies should be kept in the village office.

## **8. INDIGENOUS PEOPLES PLANNING FRAMEWORK (IPPF): PROVISIONS TO BE MAINSTREAMED**

### **8.1 Objective**

84. No investments are expected under the project that would directly or indirectly impact IPs. The main objective of this IPPF is to help ensure that any activity financed and implemented will benefit and the development process can fosters full respect for Indigenous Peoples (IPs)’ identity, dignity, human rights, livelihood systems, and cultural uniqueness as defined by the IPs themselves to enable them (i) to receive culturally appropriate social and economic benefits; (ii) improve access to information and opportunity to be empowered; and (iii) can participate actively in the activity. These principles would be further mainstreamed into the activities of the project

### **8.2 Specific Objectives of this Framework**

85. The specific objectives of this framework are to:

- a. Ensure that IPs participate in and benefit from any activities in the Project;
- b. Avoid or minimize potentially adverse effects on IPs, and if it is unavoidable, develop and implement mitigation measures based on Free, Prior, and Informed Consultation (FPIC – see *Annex 19*) resulting in broad supports from the impacted IP communities;
- c. Maximize the potential positive effects of the project on the IPs, based on FPIC with the IPs ensuring that the design and implementation of the any activity incorporate aspirations and needs of the IPs.

### **8.3 National Regulations and Institutional Arrangements Pertaining to IPs<sup>16</sup>**

86. The Government acknowledges the presence of *Masyarakat Hukum Adat* and their rights, provided that these groups meet eligibility requirements and have obtained legal recognition from their provincial or district governments (further elaborated in the Minister of Home Affairs’ Regulation No. 52/2014). Such legal recognition serves as a precondition for further recognition of land rights and natural resources within customary territories. In May 2013 the Constitutional Court ruled that *Hutan Adat* are not part of the State forest (*hutan negara*). This Court decision modified *Hutan Adat* from falling under the category of state forest (*hutan negara*), to the category of private forest (*hutan hak*). This decision further implied that *Adat* forests, wherever legally recognized, would be assumed to be the collectively owned forests of Indigenous Peoples.

87. Provisions relevant to IPs or *Masyarakat Adat* in the relevant laws and regulations will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

87. The Indonesian legal framework generally refers to Indigenous Peoples as *Masyarakat Hukum Adat* (*customary law communities*).<sup>17</sup> Identification criteria of such communities and protection of their

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<sup>16</sup> Provisions relevant to IPs or *Masyarakat Adat* in the relevant laws and regulations will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit.

<sup>17</sup> Relevant regulatory frameworks include Law No. 32/2009 on Environmental Protection and Management, Law No.41/ 1999 (further revised to Law No 19/2004) on Forestry, Law no 18/2013 on Prevention and Abolition of Forests Destructions, Presidential Instruction No 88/2017 on Land Tenure Settlements in Forest Areas, and Ministerial Regulation of the Ministry

rights to land and natural resources can be found in various legislations. The following Indonesia laws and regulations recognize the specific rights of IPs:

- **Indonesian's Constitution** Article 18(B) recognizes the rights of *Masyarakat Hukum Adat*;
- **Basic Agrarian Law No. 5/1960:** Apart from defining types of land rights of private individuals and other entities, the law recognises land rights over customary territories (*hak ulayat*) and customary law (*adat* law) as long as it is not in conflict with the national interest;
- **Law No. 39/1999 on Human Rights:** Article 6 of the law states that the needs of *Masyarakat Hukum Adat* need to be recognised and protected by the law, society, and the government;
- **Law No. 6/2014 on Villages:** The law acknowledges the existence and rights of *Masyarakat Hukum Adat*. The communities can establish *adat* villages with their own institutional structures and authority although this law suffers from the lack of guiding regulations and institutional mandates to make such provisions operational. The Law grants a *desa adat* (customary village) the authority to conduct *adat*-based public administration. Once recognized, Adat villages are legal entities entitled to village funds (dana desa) and guaranteed unprecedented levels of autonomy to set up governance structures and manage the commons. Law 6/2014 has reinforced the rights of IP and adat communities and an additional route for claiming their rights.
- **Law No. 23/2014 on Local Government:** This Law recognizes the existence of *adat* institutions (*lembaga adat*) by giving them rights to “empowerment”. Second, the Law determines that *adat* law is an additional rule for purposes such as village elections. Third, the Law makes *adat* or *adat* law the basis upon which to conduct local development, or as a parameter to measure social cohesiveness;
- **Law No. 11/2010 on Cultural Heritage:** This law recognises *Masyarakat Adat* as owners of their cultural heritage and grants them authority to manage it. The law requires observation and data collection on cultural heritage sites that may be affected by project activities; and
- **Forestry Law No. 41/1999:** Primarily, the law divides forests into different legal categories and provides criteria for the recognition of *Hutan Adat* rights. The law has been amended by Constitutional Court Decision No. 35/2012 which established that *adat* forests are not state forest area but collectively owned private land. The clarification of Article 67 (2) of Law 41/1999 lists five conditions, based on which the government will recognize a customary community as *Masyarakat Hukum Adat*:
  - In the people's daily life, it still is a communal society (*paguyuban*);
  - The community has *adat* institutions and *adat* leaders;
  - The community has clear boundaries;
  - The community has well-functioning customary law institutions, particularly an *adat* judicial system; and
  - The community still collects forest products for its subsistence.

88. Below the level of national laws, a number of ministerial regulations further define *Masyarakat Hukum Adat* and point out the legal procedures for the legal recognition of *Masyarakat Hukum Adat* and the recognition of *Hutan Adat* or other customary land rights. Communal land rights in the non-forest estates is regulated under Ministerial Regulation of ATR/BPN.

89. Ministry of Home Affairs regulation (*Permendagri*) No. 52/2014 define *Masyarakat Adat* as follows:

- a. Customary law communities (*Masyarakat Hukum Adat*) are groups of Indonesian citizens who have distinctive characteristics, live in groups harmoniously according to their customary law, have ties to ancestral origins and or similarities in living, have strong relationships with land and the environment, and dispose of a distinct value system and economic, political, social, cultural, legal institutions<sup>18</sup>;
- b. Customary Territory (*Wilayah Adat*) is customary land in the form of land, water, and / or waters along with natural resources on top of it with certain boundaries, owned, and preserved for presence and future generations and utilized in a sustainable manner in order to meet the needs of the community as inheritance from their ancestors or ownership claims in the form of *ulayat* land or customary forests; and
- c. Customary Law is a set of norms or rules, both written and unwritten, that live and apply to regulate human behavior that are based on Indonesian cultural values, inherited from generation to generation, which are always adhered to and respected for justice and public order and has legal consequences or sanctions.

90. Following Constitutional Court Decision No. 35/2012, several ministerial regulations were passed that provide further details on how the government can recognize *Masyarakat Hukum Adat* and their land rights. The central government (MoEF or MoATR/BPN) can only adat land rights if there already is a regional form of government recognition. There are two options for the recognition of *Hutan Adat*:

- a. A regional regulation (*Peraturan Daerah* or *Perda*) as stipulated in Article 67 (2) of Forestry Law 41/1999; and
- b. A district head/governor decree (*Keputusan Kepala Daerah*). Ministerial Regulation of the Minister of Home Affairs No. 52/2014 concerning Guidelines on the Recognition and Protection of *Masyarakat Hukum Adat*, grants district heads/mayors the authority to issue a decree on recognition based on recommendations from special committees (*Panitia Masyarakat Hukum Adat kabupaten/kota*) (Article 6 (2)). These are appointed by the district head/mayor (Article 3 (1)). They consist of: the regional secretary, the regional working unit head, the district head of legal affairs and the sub-district head. Article 4 stipulates that the committee has the task to verify the identification (*identifikasi*), validation (*validasi*) and determination (*determinasi*) of the *adat* law community involved.

91. After regional recognition has been realized, the following step for Indigenous Peoples to secure their *Hutan Adat* rights is recognition by the MoEF. The MoEF has issued a ministerial regulation on this procedure with regard to the recognition of *Hutan Adat* rights. This procedure only appertains to the Forest Estate and not to state land under the jurisdiction of the MoATR/BPN. Ministerial Regulation 32/2015 concerning Private Forest Rights (*hutan hak*) regulates the procedural steps to be taken. A ministerial decree (*keputusan menteri*) can designate *Hutan Adat* and hence, change its from state forest into private forest.

92. Article 6 of the Ministerial Regulation provides the following conditions for the Minister to recognize *adat* forests by ministerial decree:

- a. An *Adat* law community or right to avail (*hak ulayat*) has been recognized by a regional government through a regional legal decision (*produk hukum daerah*);
- b. There is an *Adat* territory that is partly or wholly located inside a forest; and
- c. There is a formal request from an *Adat* law community to designate the *Adat* forest

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<sup>18</sup> Alternatively, The Minister of Agrarian Affairs/National Land Agency (Ministerial Regulation No. 10/2016) defines these communities as “groups of people bound by their customary law arrangements as members of a group allied by their place of residence or hereditary base.”

93. Besides *Hutan Adat* rights and the other Social Forestry schemes, there are two other legal options available for communities to secure land rights in the Forest Estate:

- a. *Hak Komunal* (communal rights). This right pertains both to Forest Estate areas and state land (*tanah negara*) and was established in Ministerial Regulation No. 10/2016 concerning Procedures to Determine Communal Rights of *Masyarakat Hukum Adat* and Communities in a Specific Zone, by the Minister of ATR/BPN. The Ministerial Regulation provides the possibility for both *Masyarakat Hukum Adat* and other communities to obtain communal ownership rights in the Forest Estate or state land. It refers to these communities as ‘communities in a Specific Zone’ (*masyarakat dalam Kawasan Tertentu*). Special Zone refers to a Forest Area or to a plantation concession. For communities to obtain *hak komunal*, a request has to be filed with their district heads. These shall then form an inventory team called Tim IP4T.<sup>19</sup> After the Tim IP4T verifies the communal land right, the land in question shall be released either from the state forest or from the plantation concession. If the land is located inside a Forest Area, the Tim IP4T will hand over its results to the MoEF, which should then release the land from the Forest Area (Article 11). If the land is located inside a plantation concession, the holder of the concession rights shall be requested to exclude the plot of land from its concession (Article 13 (1) b). After the Tim IP4T has given its approval to the particular district head/governor, a district head decree or governor decree shall be issued, which shall then be sent to either the Ministry of ATR/BPN or MoEF (Article 18 (2)) who will be asked to exclude it from their jurisdiction.

94. Land ownership certificate (*sertifikat atas tanah*). Presidential Regulation No. 88/2017 on Settling Land Tenure within Forest Estate Areas (PPTKH) put in place procedures to address issues related to land status and resource conflict within the Forest Estate (*kawasan hutan*). According to this regulation, individuals or communities can obtain land ownership certificates if they have cultivated a parcel of land located in the Forest Estate for more than 20 years (article 20 e). After inspection and verification, this land parcel shall then be released from the Forest Estate

#### **8.4 Objectives and Requirements of OP 4.10<sup>20</sup>**

95. OP 4.10 contributes to the Bank’s mission of poverty reduction and sustainable development by ensuring that the development process fully respects the dignity, human rights, economies and cultures of Indigenous Peoples. For all projects that are proposed for Bank financing and affect Indigenous Peoples, the Bank requires the borrower<sup>21</sup> to engage in a process of free, prior, and informed consultation (FPIC). The Bank provides project financing only where free, prior, and informed consultation (FPIC) results in broad community support to the project by the affected Indigenous Peoples. Such Bank-financed projects include measures to (a) avoid potentially adverse effects on the Indigenous Peoples’ communities; or (b) when avoidance is not feasible, minimize, mitigate, or compensate for such effects. Bank-financed projects are also designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and intergenerationally inclusive.

#### **8.5 Application of OP 4.10 in the Project**

96. The Project will follow the principles and requirements of the Indonesian laws and regulations and OP 4.10 on Indigenous Peoples to ensure that IPs community will have the opportunity to participate in the planning and implementation process and have culturally appropriate benefit from the Project with principles that fully respects their dignity, human rights, economies and cultures. As already specified in the **Section 5 para. 57** on the indicative key strengthening areas. Provisions to

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<sup>19</sup> IP4T stands for *Inventarisasi Penguasaan, Pemilikan, Penggunaan dan Pemanfaatan Tanah* (Inventory of control, ownership, use and benefit of land).

<sup>20</sup> Taken from the World Bank OP 4.10 on Indigenous Peoples.

<sup>21</sup> In this Project, the MOHA (as Executing Agency and CPIU) and the MOV (as CPIU) will be responsible to ensure that principles and provisions for Indigenous Peoples are mainstreamed in the Component 1, 2, 4..

enhance the inclusion of benefits to IPs and the delivery of culturally appropriate benefits will be included in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit.

97. In addition, the Project intends to

- a. engage in a more pro-active approach to IP inclusion and development benefits, such as pro-active targeting of IP communities during the preparation of the *RPJMDes*, *RKPDes*, *APBDes* and Work Plan/Activity Plan as well as sub-project design;
- b. as needed provide additional support (TA/facilitators/consultants) in areas with IPs;
- c. as much as possible provide a broader menu of eligible investments for IPs tailored to their needs; and/or
- d. include key provisions of IPs as part of the Project monitoring indicators and evaluation, perhaps also include IPs to actively monitor the implementation of sub-projects.

## **8.6 Criteria of Indigenous Peoples**

98. There is no universally accepted definition of IPs. In different countries IPs may refer to by such terms as “indigenous ethnic minorities,” “aboriginals,” “hill tribes,” “minority nationalities,” “scheduled tribes,” or “tribal groups.” In this IPPF, the term “Indigenous Peoples” is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- a. Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- b. Collective attachment to geographically distinct habitats or ancestral territories in the physical investment area and to the natural resources in these habitats and territories;
- c. Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture;
- d. An indigenous language, often different from the official language of the country or region.

99. The term “Indigenous Peoples” is often associated with “*Masyarakat Hukum Adat*” (or *MHA*—Customary Law Communities), or “*Masyarakat Adat*” (or Customary Communities), or “*Masyarakat Tradisional*” (or Traditional Communities) which is common terminology used in Indonesian laws and regulations to describe groups of people with similar characteristics as those IPs specified above. Ascertaining whether a particular group is considered as Indigenous Peoples, one should use the above criteria, and for the purpose of this IPPF, may require professional judgement. This document will use the term “*Masyarakat Adat*” for IPs with the above 4 (four) criteria.

## **8.7 Screening of IPs**

100. As the Project will ultimately cover all villages in the country, IPs presence in some of the villages is anticipated. The Project expects that IPs would be part of the village community who will benefit from the Project. Initial screening of the potential IPs presence will be done using the World Bank IPs Screening Study 2010<sup>22</sup>. Further screening/verification will be done at the village level:

- a. based on the above four criteria of IPs;
- b. confirmation from the village apparatus and TPK on the presence of IPs;
- c. confirmation from the village apparatus and TPK whether the IPs are part of the beneficiaries or only affected (positively and negatively) by the activity;

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<sup>22</sup> Refer to Annex 20 for the potential IPs presence, based on the World Bank IPs Screening Study (2010)

d. a-c above will have to be verified by the PTPD, PD and the PLD during the review of the draft *RKPDes* and *APBDes*.

## **8.8 Assessment of IPs as beneficiaries or affected by an activity**

101. Once the IPs presence in a village is confirmed, the village government should carry out the following:

- a. village apparatus and TPK will assess whether the IPs will be part of the beneficiaries of the activity or will be the sole beneficiaries of the activity, or will only be affected (positively or negatively) by an activity;
- b. a free, prior, informed consultation (FPIC, see *Annex 19*) with the affected IPs and seek and agree on the potential impacts and/or benefits for the IPs, and their aspirations and needs for addressing the adverse impacts or to maximize the benefits.
- c. documentation of the consultations process, agreements and aspiration and needs of the consulted IPs community with a format of Social Assessment (SA). An example of the SA format is presented in *Annex 16* and a sample format for documentation of the consultation process is provided in *Annex 18*.

## **9. PUBLIC CONSULTATIONS AND DISCLOSURES**

### **Public consultations and disclosures of the ESMF**

105. The Project (CPMU of MOHA and CPIU of MOV) carried out public consultations on the Draft ESMF to obtain constructive inputs from the relevant stakeholders to strengthen the design of the mainstreaming environmental and social sustainability in the Project. Public consultations was carried out prior to appraisal in Jakarta inviting stakeholders from selected provinces. Relevant inputs and comments collected from the public consultations were used to improve the draft ESMF. The final ESMF were uploaded in the MoHA and MoV's websites (English and Bahasa) and the Bank's Infoshop (English) prior to appraisal.

106. The final ESMF included details on the public consultations, such as information on the issues discussed, suggestions from participants, list of participants etc.

107. The Draft updated ESMF of the Project restructuring has been virtually consulted with all project management staff (CPMU, PIUs) and CPIUs consultants on March 24, 2022. This document has accommodated inputs from the participants. It was confirmed that the objectives, principles, and requirements of the triggered environmental and social safeguard policies in the updated ESMF remain relevant to the modified activities under Component 1,2 and 3 and will continue to be mainstreamed in the Project guidelines, manuals and training modules for the respective local government staff and facilitators. The updated ESMF will be uploaded in the MoHA and MoV's websites (English and Bahasa) and the Bank's Infoshop (English).

### **Public consultations and disclosures of the implementation of Components 1, 2 and 3**

108. At the village level, as required by various manuals and guidelines issued by the MOHA and MOV, all plans (*RPJMDes*, *RKPDes*, *APBDes*, Work Plan of Activity and sub-project design) will have to be prepared and implemented in consultations with the villagers and these documents will have to be disclosed through various venues, such as community boards, local media, website (as available), etc. This good practice should also be implemented during the preparation of the environmental and safeguards instruments, such as the SPPL, ECOPs (as relevant), VLD process and document, as well as identification of IPs, and IPP.

## **10. GRIEVANCE REDRESS MECHANISMS (GRM)**

109. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

110. MOHA (Executing Agency and CPMU of the Project) operates a GRM through existing existing venue of SP4N LAPOR!, a national complaint handling system managed by the MenPANRB which is connected with 34 ministries, 96 central agencies and 493 local governments in the country. The system is publicly accessible through <http://kemendagri.lapor.go.id/>. The CPMU will assign a dedicated person in charge of managing the GRM, who monitor the follow-up process of the incoming complaints, and the complainants also can monitor the progress of the follow-up through the system. The system seems to be using real time and provides information on the types of complaints (i.e., those related to regulation, permit, area boundary and land, bribery/corruption, misused of authority, violation, village government, regional development, and others). Information on the status of complaints (received, being followed-up, and completed) and on the satisfaction levels (satisfy, not satisfy) of the complainants. The Project is also planning (ii) develop the Standard Operation Procedure (SOP) that sets clear procedures and mechanisms on complaint handling; and (iii) hire a complaint handling specialist in the NMC to support the Project's complaint handling management.

111. The MOV (co-CPMU of this Project) has a GRM system with various venues to receive complaints, questions and aspirations. One system, called "Village Complaints", uses call center (1500040) and short message numbers (081288990040 and 0877 8899 0040), twitter and face book. Complainants can also come in person to the PPID in the Ministry Office. Another channel for filing complaints is an application called "LAPOR", initiated by the President Office and now managed by the Ministry of State Apparatus Empowerment (*KemenPAN*). In addition, the MOV has just launched application for complaint handling accessible in its website. SMS (Short Message Service) is the most popular venue for complaints. The GRM is managed by the Office for Information and Complain Service (IPP) that records complaints, forwarded complaints to relevant directorate general offices, and monitor and records the follow-up. In 2017, about 78.5% of the complaints/inquiries/aspirations received related to the issues under the domain of Directorate General for Village Development and Empowerment (DG PPMD). Popular issues were about village funds.

112. At the village level, *Permendagri* No. 114/2014 stipulated that the village should have a complaint handling management system. The head of the village is responsible for managing and processing, as well as in following-up the complaints, and in documenting the complaints as well. This complaint handling management system will benefit the planning process that includes the ESS aspects.

## **11. INSTITUTIONAL ARRANGEMENTS FOR IMPLEMENTING THE ENVIRONMENTAL AND SOCIAL SUSTAINABILITY ASPECTS IN THE PROJECT**

113. As explained in the Section 1.4 above, the structure of responsibilities of ESS capacity building and institutional system strengthening and improvement will follow the current responsibility structure between the MOHA, MOV, the provincial and district governments of the relevant tasks in the implementation of the Village Law. A summary of the proposed arrangements are as follows:

**Table 3: Responsible Agencies for Mainstreaming and Strengthening the ESS Aspects**

<b>Regulations/Guidelines/Training Modules</b>	<b>Element of strengthening areas<sup>23</sup></b>	<b>PIU MOHA (and assisted by the national consultant)</b>	<b>PIU MOV (and assisted by the national consultant)</b>
- Village Development Guidelines	Improvement of the existing environmental and social sustainability aspects	X	
- Village Financial Management	Add environmental and social sustainability aspects	X	
- Guidelines for Decision Making Procedures and Mechanisms in Village Consultations	Add environmental and social sustainability aspects		X
➤ Village Mentoring	Add environmental and social sustainability tasks, particularly the PLD		X
➤ Priority for the Utilization of <i>Dana Desa</i>	Add environmental and social sustainability aspects		X
➤ Or, develop new Technical Guidelines on Environmental and Social Sustainability for the Implementation of Village Law	As relevant, leverage lessons learned and the PNPM-Rural Technical Operational Guidelines	X	X
<b>Training Modules</b>			
➤ Pre-assignment training modules for village facilitator for infrastructure (PD-TI)	Improvement of the existing environmental and social sustainability aspects		X
➤ Pre-assignment training modules for village facilitator for empowerment (PD-P)	Add environmental and social sustainability aspects		X
➤ Pre-assignment training modules for local village facilitator (PLD)	Add environmental and social sustainability aspects		
➤ Training modules for village apparatus and village community group (LKM, KPMD, etc.) in preparing the RPJMDes, RKPDes and APBDes	Add environmental and social sustainability aspects	X, Provincial and/or District DPMD, Provincial Balai	X, Provincial DPMD and/or District DPMD, Provincial Balai
<b>Awareness Training</b>			
- Awareness training modules for the preparation and implementation of RPJMDes, RKPDes for the TAPMD (esp. TA-ID), PTPD, officials of DPMD, and District Inspectorate (new), provincial <i>satker</i>	Develop new modules - substance of environmental and social sustainability are mainstreamed	X	X, Provincial DPMD
<b>Integrated Data-based Management</b>	Develop attributes related to information on the environmental and social sustainability aspects	X and MOF	X and MOF
<b>Terms of References</b>			

<sup>23</sup> Improvement or additional of the elements of the environmental and social sustainability aspects vary among these guidelines/training modules depending on the users/target groups.

Regulations/Guidelines/Training Modules	Element of strengthening areas <sup>23</sup>	PIU MOHA (and assisted by the national consultant)	PIU MOV (and assisted by the national consultant)
5. TAPMD (esp. TA-ID) 6. PD-TI 7. PD-P 8. PLD	Add tasks for providing oversight and/or mentoring in ensuring environmental and social sustainability aspects are considered in the <i>RPJMDes, RKPDes, APBDes</i> , Activity Design		X X X X
Integrated data-based management	Include attributes related to ESS aspects, such as information on land donation, natural resource development, etc.	X	X

a. sound and appropriate in accordance with the type and intensity of impacts.

## 12. CAPACITY BUILDING PLAN

114. The mainstreaming and strengthening of the ESS aspects in the Implementation of the Village Law will be carried out gradually and continuously along with the digitalization or development of the e-system of the capacity building and training deliveries, market place, harmonization of regulations and integrated data base management. The proposed capacity building plan is presented in the Table 3.

115. The national consultant team will assist the CPMU MOHA and co-CPMU MOV to strengthen the manuals, guidelines, training materials and providing ToTs to the provincial PIUs (or *Pokjas*) and provincial consultant teams. Subsequently, the provincial PIUs and consultant teams will provide TOTs to the district DPMDs and consultant teams, as well as the TAPMDs. The DPMDs of the districts with the assistance of the consultant teams will then train the village apparatus, PDs and PLDs. The timing of the training at various levels can be parallel depending on the readiness of each level.

116. The costs for mainstreaming and strengthening of the ESS aspects during the project period and for project activities will be borne by the Project.

**Table 4:**  
**Proposed Capacity Building Plan for Mainstreaming and Strengthening the ESS Aspects**

Regulations/Guidelines/Training Modules	Element of strengthening areas <sup>24</sup>	Target	Year
- Village Development Guidelines	Improvement of the existing environmental and social sustainability aspects	PIU of MOHA	1 - 2
- Village Financial Management	Add environmental and social sustainability aspects	PIU of MOHA	1-2
- Guidelines for Decision Making Procedures and Mechanisms in Village Consultations	Add environmental and social sustainability aspects	PIU of MOV	1-2
➤ Village Mentoring	Add environmental and social sustainability tasks,	PIU of MOV	1-2

<sup>24</sup> Improvement or additional of the elements of the environmental and social sustainability aspects vary among these guidelines/training modules depending on the users/target groups.

<b>Regulations/Guidelines/Training Modules</b>	<b>Element of strengthening areas<sup>24</sup></b>	<b>Target</b>	<b>Year</b>
	particularly the PLD		
➤ Priority for the Utilization of <i>Dana Desa</i> 2019	Add environmental and social sustainability aspects	PIU of MOV	1-2 (also for utilization for <i>Dana Desa</i> 2020)
➤ Or, develop new Technical Guidelines on Environmental and Social Sustainability for the Implementation of Village Law	As relevant, leverage lessons learned and the PNPM-Rural Technical Operational Guidelines	PIU of MOHA and PIU of MOV	1
<b>Training Modules</b>			
➤ Pre-assignment training modules for village facilitator for infrastructure (PD-TI)	Improvement of the existing environmental and social sustainability aspects	PD-TI	Training, year-1 onwards
➤ Pre-assignment training modules for village facilitator for empowerment (PD-P)	Add environmental and social sustainability aspects	PD-P	Training, year-1 onwards
➤ Pre-assignment training modules for local village facilitator (PLD)	Add environmental and social sustainability aspects	PLD	Training, year-1 onwards
➤ Training modules for village apparatus and village community group (LKM, KPMD, etc.) in preparing the <i>RPJMDes</i> , <i>RKPDes</i> and <i>APBDes</i>	Add environmental and social sustainability aspects	MOHA, MOV Provincial and/or District DPMD, Provincial Balai of MOHA and MOV)	1-2; Training, year-1 onwards
<b>Awareness Training</b>			
- Awareness training modules for the preparation and implementation of <i>RPJMDes</i> , <i>RKPDes</i> for the TAPMD (esp. TA-ID), PTPD, officials of DPMD, and District Inspectorate (new), provincial <i>satker</i>	Develop new modules - substance of environmental and social sustainability are mainstreamed	Provincial DPMD, PTPD, officials of DPMD, and District Inspectorate (new), provincial <i>satker</i>	1-2; Training, year-1 onwards
<b>Integrated Data-based Management</b>	Develop attributes related to information on the environmental and social sustainability aspects	MOHA	1-2
<b>Terms of References</b>			
9. TAPMD (esp. TA-ID) 10. PD-TI 11. PD-P 12. PLD	Add tasks for providing oversight and/or mentoring in ensuring environmental and social sustainability aspects are considered in the <i>RPJMDes</i> , <i>RKPDes</i> , <i>APBDes</i> , Activity Design	PIU of MOV	1
Integrated data-based management	Include attributes related to ESS aspects, such as information on land donation, natural resource development, etc.	PIU of MOHA PIU of MOV	1-3

## 13. MONITORING AND EVALUATION

117. Monitoring and evaluation of the implementation of the ESMF will be part of the overall monitoring and evaluation of the Project. Indicators of mainstreamed ESS provisions will be part of the Results Framework and Monitoring of the Project (for details refer to Project Appraisal Document Chapter VI), particularly the Intermediate Results Indicators (monitored annually), among others as follows:

- a. Revised guidance/manuals for needs-based capacity building system/e-learning platform adopted by central and regional governments
- b. E-learning platform for needs-based capacity building for village apparatus and institutions established and fully operational
- c. Villages where women representatives trained on village development-related core modules (participatory planning, budgeting, monitoring)
- d. Village allocate budget for needs-based village apparatus and BPD capacity building plan

118. Results of evaluation will be used to adjust the ESS mainstreaming in the capacity building and institutional system strengthening system.

## 14. BUDGET TO IMPLEMENT THE ESMF

119. The implementation of this ESMF will be integrated into the overall Project implementation. Costs. Below is the summary of activities that should be included in the overall Project financing.

**Table 5: Responsible Agencies to Include Budget**

<b>Regulations/Guidelines/Training Modules</b>	<b>PIU MOHA (Budget Component 1)</b>	<b>PIU MOV (Budget Component 2)</b>
- Village Development Guidelines	X	
- Village Financial Management	X	
- Guidelines for Decision Making Procedures and Mechanisms in Village Consultations		X
➤ Village Mentoring		X
➤ Priority for the Utilization of <i>Dana Desa</i> 2019		X
➤ Or, develop new Technical Guidelines on Environmental and Social Sustainability for the Implementation of Village Law	X	X
<b>Training Modules</b>		
➤ Pre-assignment training modules for village facilitator for infrastructure (PD-TI)		X
➤ Pre-assignment training modules for village facilitator for empowerment (PD-P)		X
➤ Pre-assignment training modules for local village facilitator (PLD)		
➤ Training modules for village apparatus and village community group (LKM, and/or District)	X, Provincial and/or District	X, Provincial DPMD and/or

<b>Regulations/Guidelines/Training Modules</b>	<b>PIU MOHA (Budget Component 1)</b>	<b>PIU MOV (Budget Component 2)</b>
KPMD, etc.) in preparing the <i>RPJMDes</i> , <i>RKPDes</i> and <i>APBDes</i>	DPMD, Provincial Balai	District DPMD, Provincial Balai
<b>Awareness Training</b>		
- Awareness training modules for the preparation and implementation of <i>RPJMDes</i> , <i>RKPDes</i> for the TAPMD (esp. TA-ID), PTPD, officials of DPMD, and District Inspectorate (new), provincial <i>satker</i>	X	X, Provincial DPMD
<b>Integrated Data-based Management</b>	X and MOF	X and MOF
<b>Terms of References</b>		
13. TAPMD (esp. TA-ID) 14. PD-TI 15. PD-P 16. PLD		X X X X
<b>Village level</b>		
Specific training needs	<i>APBDes</i>	
Prepare and implement environmental and social instruments	<i>APBDes</i>	
Prepare sub-project design	<i>APBDes</i>	

## ANNEX 1: PROJECT IMPLEMENTATION STRUCTURE AND ARRANGEMENT

### Project Coordination and Collaboration

1. Steering Committee. A Steering Committee (SC) under the Project will be established at the central level. This SC will be led by BAPPENAS with participation of the several Echelon-1 amongst other: The Coordinating Ministry of Economy (of the Human Development and Culture), the Ministry of Home Affairs (MOHA), the Ministry of Village, Disadvantage Areas and Transmigration (MOV), the Ministry of Finance (MOF), National Statistical Bureau (BPS), and National Internal Auditor (BPKP). SC will be supported by the project coordination at central level as well as discuss and resolve issues which requires inter-ministerial decisions, support policy developments, and monitor achievement of development priorities relevant to national targets for village development outcomes.
2. Project Coordination at Provincial and Municipality/District Levels. A working group (*Kelompok Kerja/Pokja*) or an existing committee with similar function will support coordination of local policies relevant to village development and capacity building, foster collaboration among institutions and sectors.

### Project Implementation Structure

3. Executing Agency and Implementing Unit. The Executing Agency of the project will be positioned at Directorate General of Village Government (*Direktorat Jendral Bina Pemerintahan Desa*) of the Ministry of Home Affairs (MOHA). The CPMU and PMU will be established and led by an Echelon 2 under the Directorate General of Village Government (*Direktorat Jendral Bina Pemerintahan Desa*) of MOHA and the Directorate General of Village Development and Empowerment (*Direktorat Jendral Pembangunan dan Pemberdayaan Masyarakat Desa*) of MOV. CPMU/co-CPMU will be supported by technical, financial and administrative staff in each implementing agency, ensuring sound financial, procurement and contract management, safeguards and overall project implementation conform with the World Bank policies. CPMU/co-CPMU will also have responsibilities to ensure achievement of the project development objective (PDO) and KPIs, improve relevant policies and regulation, and maintain expenditures to be consistent with the intended activities and outputs. CPMU MOHA will manage Component 1, and co-CPMU MOV on Component 2. In each PIUs, a secretariat will be established with participation of directorates within the respective DGs.
4. Secretariat for Program Coordination and Collaboration. BAPPENAS and Menko PMK will develop a national strategy for improved implementation of Village Law, with a Secretariat function among other to ensure coherent policies adopted by CPIUs, establish collaborative technical support and joint monitoring mechanism, declare achievement of target KPIs and work plan, and recommend reimbursement against verified outputs. Bappenas and Menko PMK will manage Component 3 of the Project. This Secretariat will ensure participation of various central ministries involved in village development and capacity building activities.
5. At the sub-national level, government entities include: (i) the Village Development and Community Empowerment Department (*Dinas Pemberdayaan Masyarakat Desa - DPMD*) responsible for village support and supervision at both the provincial and district levels; (ii) the District Finance Office – (*Badan Keuangan dan Asset Daerah – BKAD*) which is responsible for disbursing DD to villages; (iii) the district-level Local Inspector; and (iv) the District Planning Agency (Bappeda).
6. At the village level, the village apparatus, or village government, is now the key implementing entity for village funds. The project aims to strengthen the capacity and accountability systems for village governments. This is expected to lead to more effective spending of village government funds, with improved service delivery and socio-economic outcomes.

**Table 1: Roles and Responsibilities of Each Ministries and Central Institutions**

<b>Institutions</b>	<b>Roles and Responsibility</b>
Bappenas	Overall program coordination and collaboration, and responsible for implementing component 3: national coordination, monitoring and supervision
Menko PMK	Coordinating policies and regulations, and together with Bappenas, supporting the Component 3: national coordination, monitoring and supervision
MOF	Supporting the budget release, disbursement of loans, and <i>rupiah murni</i> funds
MOHA	Implementation of component 1: strengthening village government institutions
MOV	Implementation of component 2: promoting village development

7. **Provincial PIU.** A PIU will be established at the provincial and municipality/district levels and will perform the tasks similar to CPIUs. Provincial PIU will perform specific responsibilities among others: (a) mobilizing technical supports, (b) establishing partnership with provincial-based institutions and sectors, (c) producing modules specific with regional development policies and priorities, (d) reviewing and providing clearance of annual work plan of capacity building submitted by the municipality/district, (e) recommending districts to receive incentives based on performance, (f) carrying out regular supervision, monitoring and evaluation by maximum utilization of an integrated web-based and mobile system, (g) undertaking quality control and providing supports/backstops/coaching to districts in capacity building management (for Provincial PIUs), and (h) allocating Provincial APBD for capacity building activities specifically relevant to provincial priorities.

8. **District PIU.** District PIU will be in charge for project implementation at district level. Included in their roles are: (a) managing the achievement of KPIs, activities and budget allocation (b) establishing PTPD and coaching clinic, (c) establishing partnership with district-based institutions and sectors, (d) managing capacity building for villages (apparatus and communities) at district level, (e) carrying out supervision and monitoring to PTPD performance and CB delivery by maximum utilization of an integrated web-based and mobile system, (f) ensuring the quality of CB deliveries (quality control, feedback mechanism, etc.), (g) supervising PTPD in implementing village CB plan, (h) organizing need assessment on village CB, (i) producing modules specific with district development policies and priorities, (j) reviewing the performance of villages in CB and proposing incentive accordingly, (k) allocating District APBD for capacity building activities specifically relevant to provincial priorities.

9. **PTPD.** At subdistrict level, a PTPD will be established with provision of a Decree of *Bupati*/Mayor as part of the village capacity building program. A coaching secretariat will be established at PTPD. PTPD will be responsible among other for: (a) carrying out need assessment, and verify village proposals for capacity building, (b) developing annual work program of capacity building at village and sub-district level, to be submitted to district, (c) arranging the delivery of the training at sub-district and village level, (d) coordinating peer-learnings and identifying sectoral and technical supports, and (e) managing supervision, monitoring, evaluation and feedback.

10. **Village Governments and Institutions.** Village government and institutions are responsible for: (a) identifying the capacity building needs and submit proposals for learning, (b) allocating *APBDesa* (village budget) for attending the training (both mandatory and advanced), printing the training materials and provision the adequate instruments (smartphone or tablet), and (c) managing capacity building activities at village levels, including to establish a learning forum (or *kelompok belajar*) and select key champions for learnings at village levels.

## **Advisories and Technical Supports**

11. Advisory Groups. Advisory groups will be deployed to support the Secretariat under BAPPENAS and *Menko PMK*. These advisories will help respective central institution to draft relevant regulations and guidance for improving transfer mechanism, creating village incentives, sectoral supports and authorities, institutional strengthening, and others based on recent developments.

12. National Management Consultant (NMC). NMC will be mobilized to serve both CPIU MOHA and MOV. NMC will be responsible in daily overall program management, strengthening the technical and institutional capacities, carrying-out supervision, monitoring, spot-checks, and evaluation for the overall outputs and outcomes, strengthening sustainability of the project outcomes, and managing the web and mobile based capacity building. NMC will provide various technical experts across disciplines to fulfil the required services. NMC will serve CPIUs for the period up to project closing, depends on annual performance as specified later in the project guidelines.

13. Provincial, District Consultant Team and Subdistrict Facilitator. These teams of support will be contracted at provincial level, and be stationed at provincial, district and sub-district levels. The recruitment will be jointly managed by CPIUs and Provincial PIUs through an establishment of a joint committee. Recruitment committee will develop specifications and indicators for acceptance (based on interview at provincial levels) in which will be used as part of annual performance review. All recruitment process will be managed and recorded through a web-system. These teams will be mobilized for the service of three years, depends on annual performance.

14. Development Team of an integrated data management and web-based learning/capacity building management. There are many programs operate with the use of application of web-based system, thus the project will assist the Government to integrate all within the spirit of “*satu data*” under the management of *BAPPENAS* and *Menko PMK* (“Secretariat”), namely *InfoDesa*. In addition to *InfoDesa*, an integrated learning system (web-based capacity building management) will be provided both for MOHA and MOV as a platform for managing: (a) learning modules, (b) trainers/partner institutions, (c) learning events/schedule, (d) library, (e) peer learnings, and so on.

## **Implementation Arrangements**

### **Program cycle**

15. The program cycle will be managed at annual basis involving of the above key stakeholders.

- Planning includes need assessment, annual work plan and budget allocation, organizing communities, local institutions, and apparatus (including key champions), and levelling the learning event (village, sub-district or district). Learning outside district areas will be determined based on special cases and review by the Provincial PIU and CPIUs.
- Implementation includes training of trainers (if applicable), socialization of the learning events, distribution of modules and its supported instruments, registration and recording the learning events.
- Feedback and evaluation, including learning performance review includes review of the substances, instruments used, delivery model and duration, and the attendees/participants, the trainer/learning facilitators performance. All feedback and evaluation will be submitted through a web system, and learning performance review (for district, sub-district and villages) will be carried out against pre-determined criteria recorded in the system.
- Post-activities include follow-up activities conducted after the capacity building is implemented and reviewed, i.e.: coaching clinic, visits to selected villages for refresher learning/training, community or village apparatus sharing (*kelompok belajar*), and peer-learnings (with other villages). These post activities managed by PTPD and sub-district facilitators.
- Outcome performance review. An outcome performance review will be carried out annually to respective learning participants based on survey submitted through web-based system. The review will

be used as feedback to the learning materials (substance), type of deliveries, instruments, schedule, tariff, behavior changes and others. These feedbacks will be used by CPIUs and partner institutions as the basis of improving and upgrading the modules and management, as well as guidance.

### **Program Stages**

16. The project will be implemented within three stages, whereas the first-year implementation will be used to lay a solid foundation for the system to work; mid-term implementation will involve addition of innovative modules (and instruments) -to be more solution-oriented, encourage peer learning, more discussion sessions, and based on practical conditions- and coverage as well as develop incentive mechanism; and long-term will be used for maintaining the capacity building management system, improving/upgrading relevant policies and guidelines, and upgrading the substances to fit with recent local development needs.

A. Short-term (Y-1), activities included in the Year 1 among other as follows:

- Development of basic national curriculum and expected competencies, preparation, and modification of mandatory and selected modules on compliance (on procedure, accountability, performance, and others) and its supported instruments (i.e., flyer, video, posters).
- Development of program implementation guidelines and operation procedures.
- Mobilization of the management and support system, including to identify partner institutions, training of trainers (to facilitate the learning process), and so on.
- Development of a web-based integrated system and e-learning mechanism.
- Pilot program of adopting learning through a web-based system of few mandatory modules.
- Strengthening the roles of each institution at central, provincial and district levels, as well as collecting letter of interests of participation from districts.

B. Mid-term (Y-2 and Y-3), among others are:

- Development of expanded modules, including those provided by provincial and district levels, and its supported documents.
- Fully utilization of a web-based integrated system.
- Scaling up the modules and capacity building delivery mechanism, including expanding the use of partner institutions.
- Adoption a structured supervision, monitoring and feedback, integrated with web-based system.

C. Long-term (Y-4 and Y-5)

- Strengthening the institutions for sustainable use of web-based system.
- Formal guidance provided for partnership and deliveries.
- Abolishment of the face to face or facilitated deliveries to only remote and lagged/disadvantaged areas with limited internet connection.

### **Conditions for Entry the Program for Districts**

17. As the project will operate in selected provinces and districts thus the following criteria will be used as conditions for entry, with provision a letter of interest with:

- Establish project and program institutions (PIUs, PTPD, and POKJA)
- Allocate an adequate staff and budget for operation (including monitoring and supervision), and selected self-managed capacity building activities
- Commitment to comply with the operational guidelines

18. For Y-1 and 2, number of participating districts will be limited to 100, in line with criteria agreed jointly between BAPPENAS, MOHA and MOV. Selection criteria could include, inter alia: (a) index of village development (*Indeks Pembangunan Desa*), (b) APBD allocation for capacity building activities, (c) scoring of the transfer schedule of village fund. The project will scale up the number of

participating villages and districts based on the capacity of PIU to maintain and operate the web-based capacity building (i.e.: provision of adequate modules, partnership with at least two national institutions, and the regular use of the web-based programs by the existing participating districts).

19. Conditions for Implementing Village CB Activities. The project will provide specific guidance for the capacity building management, among other to include mechanism of:

- Levelling the training (at village, at sub-district, and at district levels). Depends on the need assessment and quality of materials, the PTPD, DPIUs and PPIUs may determine a learning event to be held in groups, without additional cost be borne by the project, and will be calculated as village, sub-district and district contribution to the learning.
- Delivery type: face to face and online (web-based) learnings. The project will strongly encourage the use of web-based system, except for the first years, waiver will be provided for remote and lagged areas. Definition of remote and lagged areas will be based on: (a) accessibility, difficult to be access by only one mode of transport or be accessed through land transport by more than 8 to 10 hours travel time, and (b) geographical conditions, i.e.: island based and border areas.
- Type of learning: self-learning, facilitated discussion, peer learning, OJT, and coaching and forum (*kelompok belajar*)

## **Partnership Arrangement**

20. Partnership with national, provincial and district levels institutions will be initiated by the project to strengthen the delivery and improve the quality of learning materials and its supported instruments, encourage local ownership (both local and village governments and local institution), and support the sustainability of CB mechanism.

21. Partnership at the national level (MoU) will be managed by MOHA, meanwhile partnership at provincial and district levels will be facilitated by PPIUs and DPIUs. Selection of the partner institutions are based on competencies and will be divided into variety of services: (a) development of modules, (b) delivery of training/events, (c) provision of trainers/co-trainers, and (d) coaching and evaluation.

22. Registration of trainers and partner institutions. Registration and verification of partner institutions will be provided through the web system, in which upon approval by MOHA (for national and provincial level partner), PPIU (for district level partner), and DPIU for inter-villages and sub-district levels, those partners institutions or individuals (trainers/resource-persons) will be registered to be accessed by all learning/training participants.

## **Monitoring and Evaluation Arrangement**

26. The project will focus on using disruptive technology to strengthen existing Government systems for data collection, monitoring and evaluation.

## **Monitoring and regular reporting**

27. The project will utilize project's PIUs and TA at sub-district/district levels to collect basic data on activities and inputs. Data will be compiled at district and province levels and submitted to the National Management Consultant for quarterly financial and progress reports. Project's PIUs and National Task Force (*Pokja*) will conduct bi-annual supervision missions together with Bank's Task Team.

28. To improve overall Government's capacity to collect and use data to track village development performance, the project will develop an integrated village data platform (*InfoDesa*) that will compile key village performance data to monitor/track village capacity and development performance. The

project has identified several village level information systems that can be used to monitor village governance and development outcomes. For example, the *Prodeskel* (Village Basic Data), *Siskeudes* (Village FM), *Sipades* (Village Assets), *Sipede* (Village Budget and Outputs) and OM-SPAN (Village Fund disbursement and outputs). In addition, data on basic health and education service provisions are available from administrative data of Ministry of Health and Ministry of Education & Culture. The integrated data platform (*InfoDesa*) will enable the Government to pull data from these various sources and analyze the data to be used in monitoring village performance. The project will also help strengthen existing key systems (such as *Prodeskel* and *Siskeudes*) to ensure data availability and quality. The project will also support BAPPENAS and BPS to analyze data and results from *InfoDesa* and utilize the data to inform village development policies and strategies.

**ANNEX 2: SOME OF THE ONGOING CAPACITY BUILDING ACTIVITIES IN THE  
MINISTRY OF VILLAGE AND THE MINISTRY OF HOME AFFAIRS FOR THE  
IMPLEMENTATION OF VILLAGE LAW**

No.	Target Group	Module / curricula	Duration
<b>TRAINING FOR PROFESSIONAL FACILITATORS IN THE IMPLEMENTATION OF VILLAGE INNOVATION PROGRAM</b>			
1.	Experts of Community Empowerment at District level (TAPM)	Debriefing training to mentor the Working Group of PPID and Working Group of P2KTD	5 days
2.	Experts of Community Empowerment at village level (TAPMD)	Training to mentor the District Innovation Team (TIK) and Village Innovation Implementation Team (TPID) in the activities of capturing innovation	5 days
3.	District Facilitator (PD)	Training to facilitate the TPID during the implementation of PPID in the sub-district	2 days
4.	Village Facilitator (PLD)	Training to facilitate the village on the innovative village plan	2 days
<b>TRAINING ON INSTITUTIONAL DEVELOPMENT FOR VILLAGE INNOVATION PROGRAM</b>			
1.	District Innovation Team (TIK): Working Group (WG) of Knowledge Management (PPID); WG of Providers of Village Technical Capacity Strengthening (P2KTD); Secretary of TIK/Head of TIK	Orientation training program to promote the utilization of the <i>Dana Desa</i> for innovative program through a well-planned and systematic knowledge management	3-5 days
2.	Village Innovation Implementation Team (TPID)	Debriefing training to implement the activities of PPID in the subdistrict and village, including the financial management of DOK-TPID	3 days
<b>TRAINING FOR PROVIDERS OF VILLAGE TECHNICAL CAPACITY STRENGTHENING (P2KTD)</b>			
1.	Provider of Village Technical Capacity Strengthening (P2KTD)	Training on planning and implementation of PEL and entrepreneurship	5 days
2.	Provider of Village Technical Capacity Strengthening (P2KTD)	Training on planning and implementation of village infrastructure	5 days
3.	Provider of Village Technical Capacity Strengthening (P2KTD)	Training on planning and implementation of human resource development	5 days
<b>TRAINING PIID-PEL</b>			
1.	Team of Implementing Partnership Activities (TPKK)	Management of Financial Administration for PIID-PEL	3 days
2.	Team of Implementing Partnership Activities (TPKK)	Procurement for PIID-PEL	3 days
<b>BALAI BESAR LATIHAN MASYARAKAT YOGYAKARTA (MOV)</b>			
1.	Village Cadre for Community Empowerment (KPMD)	<ul style="list-style-type: none"> <li>• Hydroponic agriculture</li> <li>• Batik making</li> <li>• Agriculture product processing</li> <li>• Fish cultivation</li> <li>• Decorative plants</li> </ul>	
2.	BUMDes (Village-owned Enterprise)	Management BUMDes Entrepreneurship Village tourism	

**ANNEX 3: SOME OF THE ONGOING CAPACITY BUILDING ACTIVITIES IN THE MINISTRY OF HOME AFFAIRS FOR THE IMPLEMENTATION OF VILLAGE LAW**

No.	Target Group	Module/Curricula	Duration
1.	Village apparatus	Training PKAD	
2.	Village apparatus	ToMT PKAD	
3.	Village apparatus	ToT PKAD	
4.	Village Representative Body (BPD)	Training	
<b>BALAI PEMERINTAHAN DESA (MOHA) YOGYAKARTA</b>			
1.	Village apparatus and Village Community Organization (LKD)	Village arrangement; RPJMDes and RKPDes Village administration Preparation of APBDes Management of Village Funds	
2.	LPMD	Preparation of village planning documents	
3.	LP3 - PKK		
4.	Neighborhood Association (RT)		
5.	Village Representative Body (BPD)	Institutional and village partnerships	
6.	Management and Controller of BUMDes	Control and development of BUMDes	

## ANNEX 4: E-WASTE MANAGEMENT<sup>25</sup>

### I. E-Waste Management in Indonesia

1. E-waste is a relatively a new issue in Indonesia. Its physical existence, except used batteries, is not being so real yet, especially within the chain of waste management. Disposal of e-waste can be processed through recycling and/or exporting to other countries (for further process). In some area, particularly in Java, e-waste recovery and handling such as dismantling, segregation of parts, refurbishments of old products and recovery of metals are done by informal sectors. It handles almost 90% of the total waste generated, particularly from household, office, commercial areas, recovering materials and refurbishing products. These recyclers use processes and practices such as open burning, acid baths and heating of circuit boards, resulting in emissions and release of toxic elements (included brominated flame retardant) into environment. Therefore, the government need to regulate this practice to prevent the negative impact to environment and human health.

2. Interest regarding hazardous wastes in Indonesia had emerged since 1990s, especially after the intensified industrial activities. The hazardous wastes management in Indonesia refers to the principles and guidelines for sustainable development as stipulated in Law No. 4/1982 on Basic Provisions for Managing the Living Environment. The amendment of this Law has been issued by Law No. 23/1997 on Management of Living Environment. This Law was amended in 2009 and issued as Law 32/2009 on Protection and Management of the Environment. Article 59 of this Law refers to hazardous waste management on which mandating that further detail to be described in the Government Regulation.

3. Below are the national regulations on E-waste in Indonesia:

1. Ratification of Basel Convention by Presidential Decree No. 61 Year 1993 Based on Basel Convention, Annex VIII: A1080 and A1180;
2. E-waste from household and municipal waste, under the Law no 18/ 2008 on Solid Waste Management, are categorized as specific municipal solid waste.
3. Government Regulation No. 101 /2014 concerning Hazardous Waste Management
  - a. Based on Annex I, Table 1 List of Hazardous Waste from Not Specific Source: Given Code is B107d for Electronic Waste including CRT, fluorescent lamp, PCB and wire rubber; and A111d for used refrigerant from electronic equipment.
  - b. Based on Annex I, Table 3 List of Hazardous Waste from General Specific Source, activity 28: Electronic manufacturing or electronic equipment; and activity 29: Recondition and Remanufacturing of Electronic Equipment.
4. More specific e-waste regulation will be developed under Minister of Environment and Forestry Decree. This Ministerial Decree for Indonesia National Municipal E-Waste Management from households and municipal sources, including office is currently being developed

Below is number of industries which has the activity on collection and dismantling of e-waste in some areas:

Location	Number of Industries	Kind of collection
Batam Island	1	Rejected small parts of electronic component, plastic, e-waste, used PCBs, Computer monitor, and electronic parts (only)

<sup>25</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

		dismantling, and the waste produced uses as raw material in smelter industries)
Central Java	2	Dry cell batteries collection and smelters
West Java	5	All e-waste material (only collection, the waste goes for export, smelter industries in Batam, and other smelter industries in Jakarta area)
Tangerang	1	All e waste (only collection) and export
Central Java	1	Recondition of LED monitor, for sale in local and aboard

## II. Municipal E-Waste Management

5. According to Law no 32/2009 on Protection and Management of the Environment, the hazardous waste management as a series of activities related to reducing, storage, transporting, utilization, processing and/or dumping of hazardous waste, where in each step need permit and reporting. Under the law, indeed, everyone should be prohibited to dispose the hazardous waste to the environment. Further details on hazardous management is regulated by Government Regulation no 101/2014 (PP 101/2014). This PP, the management of the hazardous waste starting from the sources, within temporary collection Facility/dropping point and further e-waste management by certified companies.

6. The sources of e-waste are from (i) municipal waste (including household, commercial activities and offices), and (ii) industry. For the later, EPR (extended producer responsibility) is applied where the producer is responsible to monitor distribution of product and handling of their hazardous waste as mandated in Law 18/2008 on solid waste management.

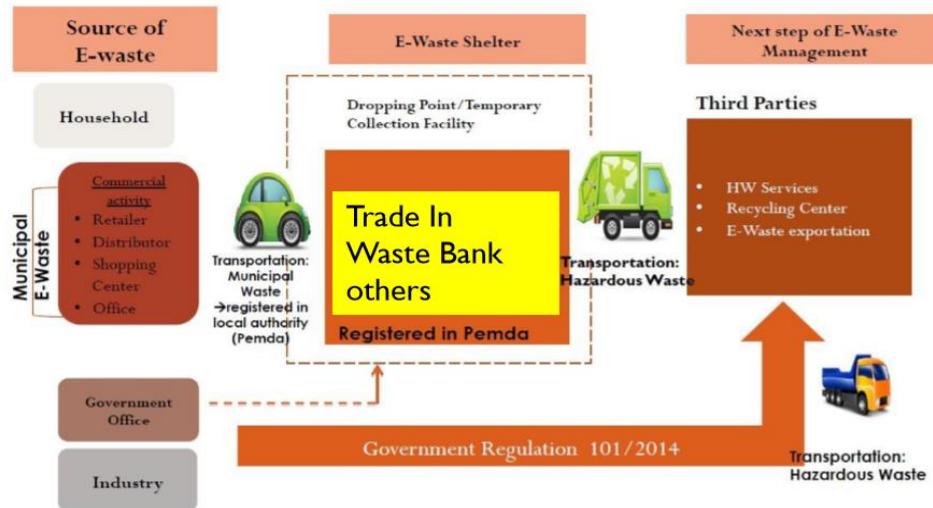
7. The e-waste management is also involved (i) the consumer and distributor who need to bring their e-waste to the collection facility, (ii) collector, make cooperation with producer and local government to facilitate the collection facility sites; and (iii) recondition industry that make recondition and responsible for managing their waste from the production process.

8. Procedures or protocol for e-waste management in Indonesia, are shown in the following diagram. The e-waste from the household, commercial activities and offices are transported to the dropping point/temporary collection facilities. This dropping point can be “trade-in location”, “Waste Bank/Bank sampah” or other location/site, determined by collector and/or local government. From this e-waste shelter, the e-waste will be transported to Recycling Center for reused, or to be exported to other countries. Finally, the remaining items which cannot be reused will be disposed in an authorized dumping area or through other options such as incinerator. The formulation of the e-waste protocol for this project shall adopt the Indonesia regulations as well as the WBG Environmental, Health, and Safety (EHS) Guidelines on Hazardous Materials and Waste Management<sup>26</sup>.

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<sup>26</sup> <https://documents1.worldbank.org/curated/en/157871484635724258/pdf/112110-WP-Final-General-EHS-Guidelines.pdf>

## Municipal E-Waste Management



### III. Application of E-Waste Management

9. Below is a good example of e-waste management in the city of Jakarta introduced in May 2017 which may inspire other cities/districts to do the same. This program has helped the Jakarta resident to reduce their email through bringing the e-waste to dropping off point located in the office of Jakarta Environmental Agency/*Dinas Lingkungan Hidup* as well as in several office buildings in Jakarta. Dropping point is also available in Jl. Sudirman only during 'car free days.' Another option that the resident can have pick-up services if the e-waste is amounting more than 5 Kg.

#### **Jakarta starts e-waste collection service in cooperation with PT Prasadha Pamunah Limbah Industri**

After long ignoring the issue of the correct disposal of electronic goods, the Jakarta Sanitation Agency has launched a new initiative for treating the dangerous garbage, involving deploying special trucks to collect it in cooperation with a private waste-treatment company.

On May 2017, the Jakarta Provincial Government signed a Cooperation Agreement with PT Prasadha Pamunah Limbah Industri (PT. PPLI) regarding the Program of Managing Electronic Waste Specific for Used Handphones. The company had treated only industrial waste in the past but was open to working with the administration. It had actually already looked into treating electronic waste, or e-waste, but had found it difficult to collect.

The Jakarta Provincial Government plans to help the company collect e-waste while it pays compensation to the garbage facilities. E-waste such as computers, refrigerators, batteries and other broken electronic devices still had value, so residents could receive compensation. The Environment Agency of Jakarta Provincial Government would use two ways to collect the e-waste. The first one is residents can actively submit their e-waste through their local garbage facilities; the second one is consumers could try to return broken devices to producers. Some producers have 'trade in' programs when you can submit broken or used electronic devices to get some cash.

The agency also conducts the following activities to start in relation to the collection of e-waste in Jakarta, such as: (i) Socialization and education to the program's target of collecting Electronic waste; (ii) Placing e--- waste drop boxes: (iii) Picking up and transporting e-waste.

**ANNEX 5:**  
**FORMAT OF THE STATEMENT LETTER ON VOLUNTARY LAND DONATION<sup>27</sup>**

I/We, the undersigned herein under:

Name :  
ID Card/KTP No :  
Occupation :  
Address :

As the legitimate owner of the land by virtue of a valid Proof of Entitlement Number ....., Date..... or other valid Proof of ..... (specify), hereby confirm that I/we agree to donate land and/or other assets to the Local Government of Province/District/City ..... (specify) to be utilized for the construction of..... for the benefit of the general public.

**Project Activities**

Location of the land :  
Size of the donated land :  
Size of the remaining land :  
Value of other donated assets :  
Existing land use :

**Ownership status of the land:**

*(please mention the land boundary and land ownership status as well as land plot map with marking on clear orientations)*

This statement is duly made without any pressure from anyone.

*Place, date this mutual agreement is signed*

The land donator  
Acknowledgement,

the donated land receiver,

Signature (Land owner)  
Government)

Signature (on behalf of the Provincial/District/City  
Camat as PPAT)

(name)

(name)

Signature of Lurah/Village head

Signature of Pelaksana Kegiatan

(name)

(name)

Signature of witnesses

Name 1 signature  
Name 2 signature  
Name 3 signature

Signature of inheritance:

Name 1 signature  
Name 2 signature  
Name 3 signature

Attachment: Sitemap of land to be donated and photos

*Remarks: Original copy of this letter will be kept by the land donor and by the KSM as part of the proposal. A copy of the letter should be archived in the kelurahan/village office.*

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<sup>27</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

**ANNEX 6: FORMAT OF THE STATEMENT ON PERMIT FOR USE OF LAND<sup>28</sup>**

I, the undersigned below:

Name :  
ID Card/KTP No :  
Occupation :  
Address :

As the legitimate owner of the land by virtue of a valid Proof of Entitlement Number ..... Date ..... or other valid Proof of ..... (please specify) hereby declare that I allow my land to be used by the Province/District/City Government of ..... (please specify) to be utilized for construction work of ... for ... year for the benefit of the general public.

Land Location	:
Land size to be lent	:
Remaining land size	:
Existing Land Use	:
Land Ownership Status	:

(please mention the land boundary and land ownership status as well as land plot map with marking on clear orientations)

This statement is duly made without any pressure and shall be used as properly.

*Place and date of the agreement*

### Party giving the permit

Party receiving the permit on behalf of  
Province/District/City Government

Signature of the Land Owner

### Signature of Camat as PPAT

Rp.6000 Stamp Duly

(name)

(name)

Signature of the Lurah/Village Chief  
(name)

### Signature of Pelaksana Kegiatan

### Signature of witnesses

Name 1 signature

### Signature of inheritance:

Name 2 signature

*Remarks: Original copy of this letter will be kept by the land donor and by the KSM as part of the*

<sup>28</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and evaluation mechanism.

**ANNEX 7: FORMAT OF THE STATEMENT ON PERMIT FOR LAND EASEMENT<sup>29</sup>**

I, the undersigned below:

Name :  
ID Card/KTP No :  
Occupation :  
Address :

As the legitimate owner of the land by virtue of a valid Proof of Entitlement Number ..... Date ..... or other valid Proof of ..... (*please specify*) hereby declare that I allow my land to be passed upon by the facility of..... to be constructed/developed by the Province/District/City ..... (*please specify*) to be utilized for the benefit of the general public.

Land Location :  
Land size to be passed on :  
Existing Land Use :  
Land Ownership Status :  
*(please mention the land boundary marking on clear orientations)*

This statement is duly made without any pressure and shall be used as properly.

*Place and date of the agreement*

Signature of the Land Owner

## Signature of Camat as PPAT

Rp.6000 Stamp Duly

(name)

(name)

Signature of the Lurah/Village Chief  
(name)

### Signature of Pelaksana Kegiatan

Signature of witnesses  
Name 1 signature  
Name 2 signature  
Name 3 signature

Signature of inheritance:  
Name 1                    signature  
Name 2                    signature  
Name 3                    signature

## Attachment: Sitemap of land to be donated and photos

*Remarks: Original copy of this letter will be kept by the land donor and by the KSM as part of the proposal. A copy of the letter should be archived in the kelurahan/village office.*

<sup>29</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

## ANNEX 8: REFERENCES FOR ENVIRONMENTAL MANAGEMENT<sup>30</sup>

### 1. Roads and Bridges:

- a. General Guidelines for Environmental Management (1)- No 008/BM/2009
- b. Guidelines for Planning of Environmental Management (2)-No 009/BM/2009, which includes, among others:
  - i. General Guidelines for Environmental Management of Sensitive Areas. See Annex 2 of the Guideline No. 009/BM/2009.
  - ii. Guidelines for Environmental Management in Forested Areas.
  - iii. Procedures for obtaining a Use Permit (Leasehold) for Forested Areas.
  - iv. Implementation Manual for Construction in Forested Areas.
  - v. Manual for Mitigating Development Impacts on Flora and Fauna in Forested Areas (14 pages), including:
    - Methods of Land Clearing;
    - Environmental Impact Management Plans for Roads Traversing National Parks.
  - vi. Guidelines on Environmental Management in Protected Zones Outside of Forested Areas. See Annex 3 of the Guideline No. 009/BM/2009.
  - vii. Manual for Mitigating Construction Impacts on Flora and Fauna in Forested Areas.
  - viii. Manual for Mitigating Development Impacts on Water Resources.
  - ix. General Environmental Management Guidelines for Protection of Heritage Areas.
  - x. Manual for Mitigating Air-quality and Noise Pollution from Traffic.
  - xi. Environmental Screening Procedures for Road Projects. See Annex 4 of the Guideline No. 009/BM/2009.
- c. Guidelines for Implementation of Environmental Management Plans (3) - No 010/BM/2009, which includes, among others:
  - i. Sample Clauses for Specific Work, related to environmental impact mitigation measures. See Annex 1 of the Guideline No. 010/BM/2009.
  - ii. Mitigation Guidelines for Construction Standards (e.g. traffic, construction base-camps, stockpiles, collecting the material in the quarry, waste management, erosion and sedimentation, interference of vegetation, handling utilities). See Annex 2 of the Guideline No. 010/BM/2009.
- d. Guidelines for Monitoring of Environmental Management (4) –No 011 /BM/2009.

### 2. Water Supply:

- a. The Regulation of Ministry of Public Works and Housing (MPWH), No. 18/PRT/M/2007, on Water Supply System Management, which includes among others:
  - Guidelines for Master Plan Development, Feasibility Study Preparation, Construction Phase.
- b. Guidelines for Simplified Water Supply System Management (SPAM sederhana):
  - Guidelines for the construction of water intakes, *broncaptering*, underground water wells, simplified water treatment plants, public hydrants, piping installations, and operations and maintenance.

### 3. Irrigation:

- a. Guidelines for rehabilitation/improvement of irrigation systems, to prevent adverse downstream effects. Please refer to Regulation of MPWH No 15/PRT/M/2010, Section III.3.2.2 and III.3.3.2.
- b. Please follow the MPWH Guidelines for environmental management during construction (10/BM/2009), as per stipulated in the Regulation of MPWH No 15/PRT/M/2010. Refer to Appendix 2 - Article III.1.
- c. Guidelines for the On-site Agricultural Education for Integrated Pest Management (IPM).
  - i. Book 1 for Farmers
  - ii. Book 2 for Extension Workers
  - iii. Book 3 for Follow Up Actions

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<sup>30</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

4. **Sanitation.** Can refer to Implementation Guideline of DAK Community Based Sanitation (SLBM) issued in 2014 by DG of Human Settlements, MPWH.

## ANNEX 9: FORMAT OF THE “STATEMENT OF COMMITMENT TO IMPLEMENT ENVIRONMENTAL MANAGEMENT AND MONITORING” (SPPL)<sup>31</sup>

(For activity plan not requiring any UKL/UPL – based on the Regulation of the Minister of Environment No. 16/2012)

We, the undersigned below:

Name :  
Job position :  
Address :  
Ph Number :

As party in charge of the environmental management of:

Company Name/Business :  
Address company/Business :  
Ph Number of the Company :  
Type of Business :  
Production Capacity :  
Permit already obtained :  
Purpose :  
Amount of Capital :

Hereinafter, we confirm that we are capable and committed to:

- (1) Maintain the public order and always maintain good relations with the neighbouring community.
- (2) Maintain the hygiene, cleanliness, and order of the project site.
- (3) Be responsible for any environmental damage and/or pollution caused by the business and/or the project activity.
- (4) Be willing to be monitored for environmental impacts of our business and/or project activity by the authorized officer.
- (5) Take the responsibility according to prevailing laws and regulation, if we fail to comply with commitments stated above.

Remarks:

Environmental impacts already taking place:

- 1.
- 2.
3. etc

Measures that will be taken to manage environmental impacts:

- 1.
- 2.
3. etc.

This SPPL shall be effective from the date of its issuance, up to the completion of our business and/or project activity. If the project undergoes any change of location, design, process, type of raw materials and/or supporting materials, this SPPL must be revised.

Date, Month, Year

Village Head,

Stamp duty of Rp, 6.000,-  
Signature  
Company seal

<sup>31</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

(Name/NIP)

Registry number from the local environment agency	
Date	
Receiver	

## ANNEX 10: TYPICAL SUBPROJECT IMPACTS AND MITIGATION MEASURES<sup>32</sup>

The typical subprojects with the potential negative impacts and mitigation measures are summarized in the following table:

Potential Negative Impacts	Mitigation Measures
<b>Roads, Bridge and Drainage subprojects</b>	
Erosion from fresh road cuts and fills and temporary sedimentation of natural drainage ways	<ul style="list-style-type: none"> <li>- Limit earth moving to dry periods</li> <li>- Protection of most susceptible soil surfaces with mulch</li> <li>- Protection of drainage channels with berms, or fabric barriers/geo-textile</li> <li>- Installation of sedimentation basins, seeding or planting of erodible surfaces as soon as possible</li> <li>- Selection an alignment that reduces environmental disturbances</li> <li>- Undertaking maintenance and repairs in a timely fashion</li> </ul>
Creation of stagnant water bodies in borrow pits, quarries, etc. suited to mosquito breeding and other disease vectors	Employ measures to avoid creating habitats (e.g. improved landscaping, re-vegetation, filling or drainage)
Roads/bridges located in critical lands that are sensitive to erosion and landslides	<ul style="list-style-type: none"> <li>- Changing the alignment to reduce steep grades when possible</li> <li>- Building civil works to stabilize side slopes – terracing or retaining wall installation</li> <li>- Using vegetative treatments to stabilize side slopes or prevent erosion</li> <li>- Using special treatments to overcome ground water problems, such as drains</li> <li>- Regular monitoring and inventory of risks for erosion</li> </ul>
Blocked drains (due to design and maintenance) stop the flow of water and impact public health	<ul style="list-style-type: none"> <li>- O&amp;M work must clean the block drains periodically</li> <li>- Stone masonry or concrete ditch are preferred as water is quickly transported away (earth ditches drain but they need much more space and are less stable, earth ditches also need a lot more maintenance)</li> <li>- Use of natural slope as it holds up well against erosion</li> </ul>
<b>Public Toilets, Sanitation, and Water Supply – Health Risks on the following activities:</b>	
Water level of the dug well almost the same as the soak away, well too close to the toilets and septic tank	<ul style="list-style-type: none"> <li>- Check the direction of groundwater flow; the well should be placed upstream</li> <li>- Build the soak away as far as possible away from the dug well (minimum 10 m)</li> <li>- Build the proper drainage system to keep the wastewater away of the dug well</li> </ul>
A well in the toilet: this is not acceptable due to high risk of contamination	<ul style="list-style-type: none"> <li>- Build a basin in each toilet room and fill them from the well by pipe channel or container</li> <li>- Keep the toilets clean and separate from the well</li> </ul>
The sewer pipe laid on the ground surface may become brittle from the sun's UV rays and could also be damaged by people stepping on it or other impact	<ul style="list-style-type: none"> <li>- Burry the sewer pipe all the way to the septic tank</li> <li>- Install a ventilation pipe and a manhole access in the septic tank</li> </ul>

<sup>32</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

<b>Potential Negative Impacts</b>	<b>Mitigation Measures</b>
Incomplete septic tank structures	<p>Minimum equipment for a septic tank consists of:</p> <ol style="list-style-type: none"> <li>1. Access manhole with a lockable cover</li> <li>2. Inlet pipe</li> <li>3. Dividing wall of baffle</li> <li>4. Overflow pipe</li> <li>5. Ventilation pipe</li> </ol> <p>(To comply with SNI - 2398 – 2002 on septic tank system)</p>
Incomplete public MCK structures (Mandi/bath, Cuci/wash, Kakus/toilets)	<p>All essential elements of an MCK need to be included:</p> <ol style="list-style-type: none"> <li>1. Toilet (s)</li> <li>2. Toilet ventilation</li> <li>3. Water basin with faucet and bottom outlet</li> <li>4. Slab with raised edge for public washing area</li> <li>5. Faucets to fill buckets</li> <li>6. Notch to ditch for surplus water and flow directly to the existing ditch/drains</li> </ol>
Sewage which contains human waste carries pathogens and must be treated before discharge into the ground or an open water course	<ul style="list-style-type: none"> <li>- A sewer carrying human waste should discharge to a treatment plant or a septic tank</li> <li>- A septic tank or other type of settling tank will also partially treat sewage</li> </ul>
Leachate and odor from temporary domestic solid waste management must be treated so it will not pollute the ground or surface water course	<ul style="list-style-type: none"> <li>- Conduct solid waste segregation to separate the organic and inorganic waste</li> <li>- Contain the leachate in cemented bundling floor and channeled to settling tank before discharged</li> <li>- Cover organic waste for faster composting and prevent odor</li> </ul>

## ANNEX 11: ENVIRONMENTAL CODES OF PRACTICES<sup>33</sup>

### A. Other Special Requirements

#### General responsibility

1. Comply with all relevant regulatory requirements in Indonesia (PerMen PU No. 45/2007; No. 29/2006 concerning building technical guidelines; and No. 05/2014 on OHS management system).
2. Employ and train suitable qualified staff to be responsible for OHS.
3. During construction, if historical or ancient objects are found, they must be reported to the directors / leaders.
4. Always keep the construction area free of things that endanger workers and the surrounding environment.
5. Comply with all rules of safety and security in building design. Example: ventilation, evacuation routes, evacuation marks, installation of waste management/ WWTP, pathways for people with disabilities, etc.

#### Prohibition

1. Cut down trees outside the agreed construction area.
2. Take historical objects found in the construction area.
3. Throw away garbage or construction waste carelessly.
4. Dispose of pollutants such as oil, paint, diesel fuel, in the environment (soil, waterways).
5. Burn waste and/ or remaining plants from cleared land.
6. Use material containing asbestos.
7. Use wood with unclear origin for construction.
8. Timber that may be used is only timber that is legal/ completed by SKAU.

#### Dust and pollution

1. The contractor uses water at certain intervals to wet a dusty area, especially when it is dry and windy.
2. The generator set used does not produce black/ thick smoke.
3. Use proper vehicle (license/ KIR still valid).

#### Noise

1. Strive to reduce and control noise.
2. Construction activities are only scheduled in the morning (8am to 6pm).
3. Work carried out after working hours must be notified in advance to the community around the project at least one week before.

#### Waste Management

1. Provision of temporary trash shelter and daily cleaning at the project site.
2. Accumulated rubbish must be disposed of at an official landfill (evidence or landfill location must be reported).
3. Oil waste and other hazardous waste (including contaminated soil and oil spills) must be kept closed and separated from other wastes. This

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<sup>33</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

type of waste must be transported by licensed transporters to a licensed disposal facility.

4. After the work is completed, all debris and the rest of the construction materials must be removed from the project site/ cleaned.
5. Worker's waste: leftovers, toilets must be managed properly.

**Occupational Health and Safety (OHS)**

1. The contractor complies with all applicable regulations in Indonesia and the applicable SOPs for workers.
2. All workers are equipped with adequate personal protective equipment, namely protective helmets (hard hat), work clothes/ vests, boots, gloves, eye protection, and others according to the type of work performed.
3. Requirements for workers and visitors on site to use safety/ protective equipment that meets the standards.
4. The contractor must maintain equipment that can endanger work safety.
5. The contractor must routinely conduct formal and informal OHS inspection activities.
6. The contractor provides OHS equipment such as stacking stairs, safety fences, fire extinguishers, OHS equipment, OHS signs
7. A safety fence is built around the construction site.
8. If a work accident / disaster occurs, it must be reported to the directors / leaders and documentation.

**B. Environmental Management and Monitoring**

**Implementation of environmental management and monitoring:**

1. The environmental and social impact management / mitigation plan that has been prepared and used as the basis for the implementation of construction can be operational and effective in accordance with the Environmental and Social Management and Monitoring Plan.
2. Meet environmental and social requirements.
3. Complete all check list and reports and evaluate the Environmental Code of Practices / ECOP determined by the Project Proponent.
4. Implementation of management of environmental and social impacts of construction work in accordance with the Environmental and Social Management and Monitoring Plan.
5. Monthly report on construction work and implementation of management of environmental and social impacts carried out by the construction implementer.
6. Implementation of management of environmental and social impacts of construction works in accordance with the matrix taken from UKL-UPL or SPPL documents or other Environmental Management Documents.

## FORM CHECK LIST ENVIRONMENTAL CODE OF PRACTICE (ECOP)<sup>34</sup>

Working Unit : .....

Title of Activity : .....

Location of Activity : .....

### A. ENVIRONMENTAL RESPONSIBILITIES FOR CONTRACTORS

#### 1. GENERAL

No.	Criteria	Yes	No	Not necessary	Recommendations given
a.	Has it complied with all relevant regulatory requirements in Indonesia (PerMen PU No. 45/2007; No. 29/2006 concerning building technical guidelines; and No. 05/2014 on OHS management system)				
b.	Is there an Information Board for Construction Activities that contains information on Project Name, Implementing Contractor Company Name, Job Type, Job Execution Period, Supervision Consultant Company Name and Contact Number contacted to submit a complaint				
c.	Have you implemented the Environmental and Social Management Plan (ESMP) for the duration of the construction period?				
d.	Monitor the effectiveness of ESMP implementation and store monitoring data				
e.	Make a monthly report on data from the results of monitoring on the implementation of environmental management to Project Proponents				
f.	Employ and train suitable qualified staff to be responsible for OSH				

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<sup>34</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

No.	Criteria	Yes	No	Not necessary	Recommendations given
g.	During construction, historical objects must be reported to the head of the Project Proponent				
h.	Comply with all rules of safety and security regulations in building design. Example: there is ventilation, evacuation routes, evacuation marks, installation of waste management/ WWTP, pathways for people with disabilities, etc.				
i.	If there are significant environmental and social impacts and no mitigation action conducted, the Contractor stops construction activities after receiving instructions from the Project Proponent, and if needed, proposes and carries out repairs and implements alternative construction methods to minimize their environmental and social impacts.				

## B. ENVIRONMENTAL MONITORING

Ensuring that work activities performed in a way that does not damage the environment and maintain the environment.

### 1. PROHIBITION

No.	Criteria	Yes	No	Not necessary	Recommendations given
a.	Cut down trees outside the agreed construction area.				
b.	Take historical objects found in the construction area.				
c.	Throw away garbage or construction waste carelessly.				
d.	Dispose of pollutants such as oil, paint, diesel fuel, in the environment (soil, waterways).				
e.	Burn waste and/ or remaining plants from cleared land.				

## 2. DEBU DAN POLUSI

No.	Criteria	Yes	No	Not necessary actions	Recommendations given
a.	Use of water at certain intervals to wet a dusty area, especially when it is dry and windy				
b	Use of generator that does not produce thick/ black smoke				
c.	Storage of diesel/ diesel for generator sets uses tanks/ drums with secondary containment to prevent the impact of spills/ spills on the ground				
d.	Use proper vehicle (license/ KIR still valid)				

## 3. NOISE

No.	Criteria	Yes	No	Not necessary	Recommendations given
a.	Construction activities are only scheduled in the morning (8am to 6pm).				
b.	Work carried out after working hours must be notified in advance to the community around the project at least one week before.				

## 4. WASTE MANAGEMENT

No.	Criteria	Yes	No	Not necessary	Recommendations given
a.	Provision of temporary trash shelter and daily cleaning at the project site.				
b	Accumulated rubbish must be disposed of at an official landfill (evidence or landfill location must be reported)				
d.	Oil waste and other hazardous waste (including contaminated soil and oil spills) must be kept closed and separated from other wastes. This type of waste must be transported by licensed transporters to a licensed disposal facility.				
d.	After the work is completed, all debris and the rest of the construction				

No.	Criteria	Yes	No	Not necessary	Recommendations given
	materials must be removed from the project site/ cleaned.				
e	Worker's waste: leftovers, toilets must be managed properly.				

## 5. OCCUPATIONAL HEALTH AND SAFETY (OHS)

No.	Criteria	Yes	No	Not necessary	Recommendations given
a.	The contractor complies with all applicable regulations in Indonesia and the SOP according to the ESMP for workers				
b.	All staff are equipped with appropriate personal protection equipment, namely protective helmets (hard hats) and security clothing (high visibility clothing)				
c	A safety fence has been built around the construction site				

## 6. AVAILABILITY AND USE OF SAFETY EQUIPMENT

No.	Criteria	Yes	No	Not necessary	Recommendations given
	Legal basis: Minister of Manpower instruction No. 2 / M / BW / BK / 1984, concerning ratification of personal protective equipment				
a.	Work safety equipment: personal protective equipment: work clothes/ vests, boots, helmets, gloves, eye protection etc., available				
b.	The requirement for workers and visitors on site to use safety/ protective equipment that meets the standards				
c.	Is maintenance for equipment that can endanger work safety carried out?				
d.	Does the company carry out inspection activities on OSH implementation both formally and informally regularly?				

No.	Criteria	Yes	No	Not necessary	Recommendations given
e.	Are there available environmental equipment such as stacking stairs, safety fences, fire extinguishers, OSH equipment, OHS signs?				
f.	Does the company conduct activities/ meetings/ briefings related to the implementation of OSH?				
g	Does the Company have a system for measuring, monitoring and evaluating the performance of the Safety Management System Occupational Health and the results analyzed to determine success or to identify corrective actions?				
h.	What approach does the company take to increase awareness about OHS, for example: with OHS posters (safety), slogan motivation to work safely, reward and punishment?				
i	If a work accident / disaster occurs, it must be reported to the board of directors and documentation is made?				

Note: Each monitoring item must be equipped with the appropriate photo / documentation

## 7. SANCTIONS:

If the contractor is proven to have committed a violation of this SOP, a written warning will be given up to 3 times and if the violation is repeated then the project activity can be stopped and the contract can be terminated.

Reported by Supervision Consultant

Name : Signature :  
 Cellphone :  
 E-mail :

Acknowledged by Director of Construction Works

Name : Signature :  
 Cellphone :  
 E-mail :

## ANNEX 12: SOCIAL ASSESSMENT OF INDIGENOUS PEOPLES<sup>35</sup>

1. **Objectives.** The purpose of Social Assessment (SA) is to evaluate the sub-project's potential positive and adverse effects on the Indigenous Peoples in the case that Indigenous Peoples are present in, or have collective attachment to the project area (based on the screening in accordance with the four criteria as specified in the World Bank OP 4.10 and criteria on *Masyarakat Adat* and/or local values), and to examine sub-project alternatives where adverse effects may be significant. The breadth, depth, and type of analysis in the SA are proportional to the nature and scale of the proposed sub-project's potential effects on the Indigenous Peoples, whether such effects are positive or adverse. In carrying out an SA, the village government will have to be assisted by the PD, a consultant team or individuals who are social scientist whose qualifications, experience, and terms of reference are acceptable to the PIU or Pokja of the district. Experts from local universities or local NGOs who have worked and have experienced in working with the IPs are encouraged to assist the village government.

2. **Outline of the SA.** The SA will at least cover the following:

- a. Description of sub-project Activity
- b. Information about the Subproject Activity's site and condition of the cultural community
- c. Social Economic Characteristics of the affected Indigenous Peoples' community
  - i. General Characteristics of IPs
  - ii. Specific characteristics of IPs
    - Cultural Social Institutions
    - Economic Condition and Source of livelihood for villagers
    - Cultural practices
    - Etc.
  - iii. Stakeholder assessments
- d. Consultation process during the Social Assessment reflecting a free, prior and informed consultation that leads to broad support from the affected IPs community on the proposed sub-project activity.
- e. Findings and potential sub-project activity's impacts (positive and adverse).
  - i. Any potential negative (*give examples*)
    - Economic domination by outsiders
    - Transfer of *ulayat* rights
    - ...
  - ii. Proposed Mitigation (*give example*)
    - Mitigation related to domination by outsiders
    - ...
  - iii. Potential positive impacts and efforts to maximize these impacts

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<sup>35</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

- f. Proposed Action Plans in form of a Table containing (to be included in the Draft IPP):
  - i. Plan to maximize the positive impacts
  - ii. Negative issues as findings from the study which needs mitigation
  - iii. The mitigation measures
  - iv. Subproject Activities within the mitigation framework
  - v. Location where the impact and mitigation are going to be done
  - vi. Consultation framework for preparing and implementing IPP
  - vii. Institution in charge for preparing and implementing IPP
  - viii. Schedule for implementation
  - ix. Budget
  - x. Source of budget
  - xi. Remarks (other matters that need to be put in the report)

### **ANNEX 13: FORMAT OF INDIGENOUS PEOPLES PLAN (IPP)<sup>36</sup>**

The following template presents the outline of an IPP. The template can be further developed based on field conditions and as per characteristics of the Project Activity.

<b>Title of Chapter/Sub-Chapter</b>	<b>Content/Remarks</b>
<b>1. DESCRIPTION OF THE PROJECT</b>	Summary Description of sub-project activity (concerning area boundary, location, type of occupation, area size, area of influence, etc.)
<b>2. SUMMARY OF SOCIAL ASSESSMENT</b>	
<b>2.1. Baseline Data on IPs</b>	<ul style="list-style-type: none"> <li>• Baseline information on the demographic, social, cultural, and political characteristic of the IPs community, the land and territories traditionally owned or customarily used or occupied and the natural resources that they depend</li> <li>• Identification of key project stakeholders and elaboration of culturally appropriate process for consulting with the IPs at each stage of project cycle</li> </ul>
<b>2.2. Summary of results of the free, prior, and informed consultations with the affected Indigenous Peoples' communities that was carried out during Project Activity's preparation and led to broad community support for the Project Activity</b>	<ul style="list-style-type: none"> <li>• Identification of potential adverse and positive effects of sub-project activity of the affected IPs within the sub-project activity's area of influence</li> <li>• Development of measures necessary to avoid adverse effects or identification of measures to minimize, mitigate, or compensate for such effects and ensure that IPs receive culturally appropriate benefits from the sub-project activity</li> <li>• Mechanism to prepare and implement the public consultation with the Indigenous People (consultation concerning the draft sub-project activity plan, etc. as relevant), to include: determination of location and schedule of consultation, information dissemination /invitation, etc.</li> <li>• Public consultation process</li> <li>• Result/resolution and mutual agreement obtained during consultation meeting.</li> <li>• Number and representative of organization/institution presented by participants in the said consultation meeting.</li> </ul>
<b>2.3. A framework for ensuring the free, prior, and informed consultations with the affected IPs communities during project implementation</b>	
<b>3. ACTION PLAN (INPUTS FROM THE RESULTS OF THE SOCIAL ASSESSMENT)</b>	
<b>3.1. Activities for IPs to receive social and economic benefits</b>	
<b>3.2. Activities to avoid, minimize, mitigate, or compensate for adverse effects</b>	
<b>3.3. Measures to Enhance the Capacity of the Project Management</b>	
<b>3.4. Consultation with the affected IPs on the Draft IPP</b>	

<sup>36</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

Title of Chapter/Sub-Chapter	Content/Remarks
<b>4. COST ESTIMATE AND FINANCING PLAN</b>	In form of table containing information about: type of activity, party in charge, timeline/milestones, cost, funding source, and remarks.
<b>5. INSTITUTIONAL ARRANGEMENT TO IMPLEMENT IPP</b>	<ul style="list-style-type: none"> <li>Agencies responsible for managing the implementation of the Indigenous Peoples Plan</li> <li>Agencies (such as TPK) responsible for reporting and monitoring on the implementation of the Indigenous Peoples Plan</li> <li>Arrangements for monitoring of the implementation of the Indigenous Peoples Plan by the affected IPs</li> </ul>
<b>6. GRIEVANCE REDRESS MECHANISM ACCESSIBLE TO THE AFFECTED IPs</b>	<ul style="list-style-type: none"> <li>Mechanism for managing grievances as suggested by the results of the Social Assessment results</li> </ul>
<b>7. PROJECT MONITORING, EVALUATION, AND REPORTING OF IPP IMPLEMENTATION</b>	<p>Includes arrangement for free, prior, and informed consultation with the affected IPs</p> <ul style="list-style-type: none"> <li>Explaining the Work Plan for monitoring implementation of IPs and Reporting Mechanism.</li> <li>Monitoring on progress implementation of IPP</li> <li>Monitoring on process implementation of IPP</li> <li>Reporting on implementation of (report to whom, which format to use, and deadline for submission of the report).</li> </ul>
<b>ATTACHMENT</b>	<p>Attach original or copy of documents as relevant to IPP, for example:</p> <ul style="list-style-type: none"> <li>Information about the sub-project activity (Map)</li> <li>Table containing Baseline Data of IPs</li> <li>Minutes of Dissemination and Consultation Meetings</li> <li>Minutes of Agreement on Compensation Plan (if any) based on the consultations</li> <li>Other relevant documentation</li> </ul>

## **ANNEX 14: MINUTES OF CONSULTATION MEETING WITH IPs<sup>37</sup>**

Name of sub-project activity :  
Date/ Month/ year :  
Time :  
Place :

### **Socialization/Dissemination of information about Project Activity**

- Project Management should carry out information dissemination to the IPs concerning the objective and benefit of the sub-project activity in detail and including any potential positive and negative impacts, physical and non-physical due to the sub-project activity. The territorial boundary for such scope of impact in particular, should be defined.
- Project Management should inform the IPs of the IPP.
- Project Management should provide maps, designs and other related materials for sub-project activity.
- It is recommended that socialization and consultation are done in a manner that is culturally acceptable by the IPs community and local language is used, as appropriate.

### **Consultation**

- The village government of TPK should encourage IPs to actively participate in the discussions during the consultation meetings.
- The overall question-and-answer and recommendation/conclusions should be recorded in this Minutes of Meeting.

### **Summary of the meeting:**

- .....
- .....

### **Representatives agreed on the Minutes**

No	Name of the Community members	Job position	Signature
1		Head of Tribe	
2		Head of Village	
3		Head of Hamlet	
4			
5			

### **Attachment**

- Full attendance list
- Photo documentation

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<sup>37</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

## ANNEX 15: NOTES ON FREE, PRIOR AND INFORMED CONSULTATIONS (FPIC)<sup>38</sup>

2. Indigenous Peoples or *Masyarakat Adat* (Customary Communities) may be vulnerable to the loss of, alienation/resettlement from or exploitation to natural and cultural resources. IPs communities are often among the poorest of the poor in the community and closely tied to their settlements, lands and related natural resources upon which the sustenance of their livelihoods depends. Frequently, these lands and settlements are traditionally owned or under customary use and often not legally recognized by national laws. In recognition of this vulnerability, interventions introduced through this project with the objectives to improve land administration and address informal settlements may potentially alienate and/or displace IPs if the mechanisms for *Free, Prior and Informed Consultations* (FPICs) to obtain broad support are not built into project design and implementation.

3. **Objective.** The extent, frequency and degree of engagement required by the consultation process should commensurate with the identified project risks and adverse impacts and with the concerns raised by affected IPs. FPICs are built on mutually accepted process between affected communities and project actors. FPICs serve at least two purposes:

- a. Provide a platform to undertake a process of consultations in good faith and in a manner that provides affected IPs with opportunities to express their concerns and views on the sharing of development benefits, risks, impacts, and mitigation measures and explore ways to leverage culturally and socially acceptable benefits.
- b. Provide a two-way mechanism for village apparatus especially the TPK to engage with IPs and their organizations, including *Adat* councils, community groups to consider and respond to the views and concerns expressed by affected IPs prior to project execution.

4. **Procedures.** FPICs should be orientated towards obtaining broad community support and by which, broad community support consists of a collection of expressions by affected community members and/or their recognized representatives in support of the proposed project/sub-project activities. Although FPICs do not necessarily require unanimity and in some instances, decisions may be achieved even individuals or groups within the community disagree, FPICs lay out organized and iterative processes through which decisions and measures adopted by the project incorporate the views of the affected IPs on matters that affect them directly.

5. The Community Participation Framework needs to be built on gender-sensitive and inter-generationally inclusive approaches. Effective FPICs are built upon two-way processes that should:

- a. Involve members of affected communities and their recognized representative bodies and organizations in good faith.
- b. Capture the views and concerns of men, women and vulnerable community segments including the elderly, youth, displaced persons, children, people with special needs, etc. about impacts, mitigation mechanisms, and benefits where appropriate as reflected in sub-project design. If necessary, separate forums or engagements need to be conducted based on their preferences.
- c. Begin early in the process of identification of environmental and social risks and impacts and continue on an ongoing basis as risks and impacts arise.

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<sup>38</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

- d. Be based on the prior disclosure and dissemination/socialization of relevant, transparent, objective, meaningful, and easily accessible information which is in a culturally appropriate language(s) and format and is understandable to affected IPs. In designing consultation methods and use of media, a special attention needs to be paid to include the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits.
- e. Focus on inclusive engagement on those directly affected than those not directly affected;
- f. Ensure that the consultation processes are free of external manipulation, interference, coercion and/or intimidation. The ways the consultations are designed should create enabling environments for meaningful participation, where applicable. In addition to the language(s) and media used, the timing, venues, participation composition need to be carefully thought through to ensure everyone could express their views without repercussions.
- g. Be documented

6. In deciding whether to proceed with the sub-project, the PTPD, PD and PLD ascertains on the basis of social assessment and FPICs whether affected IPs provide their broad support to the project. Where there is such a support, the TPK should prepare:

- a. Documented evidence of FPICs as well as measures taken to avoid and minimize risks to and adverse impacts of the affected IPs. This includes list of participants, meeting minutes and other documentation (e.g. photos, video, etc.);
- b. Additional measures, including project design modification, alternative locations, and where applicable compensations to address adverse effects on affected IPs and to provide them with culturally and socially appropriate benefits;
- c. Action plan and recommendations for FPICs during project implementation, monitoring, and evaluation, and
- d. Any formal agreements reached with affected IPs and/or their representative organizations.

7. The PIUs and the World Bank will review the process and the outcome of the consultation carried out by the village apparatus and TPK with supervision from the facilitators (PD and PLD) to confirm that the affected IPs have provided their broad support to the project. The PIU will not recommend the village or TPK to proceed further with project processing if it is unable to ascertain that such support exists.

8. **Requirements.** To ensure that FPICs can be ascertained, the following requirements are needed to determine whether:

- a. The level of engagement in a way that enables informed participation of affected IPs is acceptable;
- b. The level of support and dissent among affected IPs for the project is taken into account into decision making and development of mitigation measures.

<b>Consideration</b>	<b>Requirements</b>
Project's strategy and principles on engagement	<ul style="list-style-type: none"> <li>- Community Participation Framework to mainstream FPIC;</li> <li>- Project Operational Manuals on FPICs;</li> <li>- Budget and personnel provisions;</li> <li>- Consultation schedules and other supporting documentation.</li> </ul>
Stakeholder identification and analysis	<ul style="list-style-type: none"> <li>- Stakeholder analysis as part of the Social Assessment;</li> </ul>
Community Engagement	<ul style="list-style-type: none"> <li>- Consultation plan, public consultation and disclosure plan, and stakeholder engagement plan;</li> </ul>

<b>Consideration</b>	<b>Requirements</b>
	<ul style="list-style-type: none"> <li>- Schedule and record of community engagement including discussions and consultations with community members and their representatives.</li> </ul>
Information disclosure	<ul style="list-style-type: none"> <li>- Disclosure plan, including schedules</li> <li>- Materials prepared for disclosure and consultations;</li> <li>- Record/minutes of discussions/consultations with community members and their representatives</li> </ul>
Free, Prior, and Informed Consultations	<ul style="list-style-type: none"> <li>- Record/minutes of discussions/consultations with community members and their representatives;</li> <li>- Documentation of measures taken to avoid/minimize risks to and adverse impacts on affected IPs based on community feedback;</li> <li>- Draft of Action Plan;</li> </ul>
Consultations with vulnerable groups	<ul style="list-style-type: none"> <li>- Engagement and public consultation plan</li> <li>- Record/minutes of discussions/consultations with members and representatives of vulnerable groups</li> <li>- Documentation of measures taken to avoid/minimize risks to and adverse impacts on vulnerable groups based on community feedback</li> <li>- Draft of Action Plan</li> </ul>
Grievance redress mechanism	<ul style="list-style-type: none"> <li>- Organizational structure and responsibilities and procedures to manage grievances;</li> <li>- Record of grievances received, including expressions of support or dissent;</li> <li>- Record/minutes of discussions with community members or representatives with regards to grievance redress.</li> </ul>
Feedback to affected IPs (to demonstrate that concerns and recommendations have been accommodated in the project and rationale why recommendations have not been accommodated)	<ul style="list-style-type: none"> <li>- Documentation of risk mitigation measures</li> <li>- Record/minutes of discussions with community members and their representatives;</li> <li>- On-going reporting on implementation of Action plan;</li> <li>- Revisions in project/sub-project activities and Action Plan;</li> <li>- Surveys/interview records of affected IPs.</li> </ul>
Formal expressions of support or dissent	<ul style="list-style-type: none"> <li>- Record/minutes of meetings/public consultations with community members and their representatives;</li> <li>- Formal letters/written petitions of support/objection submitted by the community and/or their representatives;</li> </ul>
Informal expressions of support or objection	<ul style="list-style-type: none"> <li>- Photographs, media reports, personal letters or third-party accounts (NGOs, CBOs, etc.)</li> </ul>
Evidence of good faith consultations	<ul style="list-style-type: none"> <li>- Face-to-face interviews with community members/representatives in the consultations;</li> <li>- Agreements reached with affected IPs (e.g. MoU, Letters of Intent, Joint Statements, etc.)</li> <li>- Action plan, e.g. benefit sharing, development plan, etc.</li> </ul>

## ANNEX 16: LIST OF DISTRICTS WITH POTENTIAL IPS PRESENCE<sup>39</sup>

No.	Provinces	Districts with Potential Indigenous Peoples Presence
1	Central Kalimantan	Barito Selatan, Barito Timur, Barito Utara, Gunung Mas, Kapuas, Katingan, Kotawaringin Barat, Kotawaringin Timur, Lamandau, Murung Raya, Sukamara
2	North Maluku	Halmahera Barat, Halmahera Selatan, Halmahera Timur, Halmahera Utara, Kepulauan Sula
3	East Java	Banyuwangi, Bojonegoro, Bondowoso, Magetan, Ponorogo, Sumenep, Trenggalek, Tulungagung
4	Jambi	Bungo, Merangin, Muaro Jambi, Sarolangun, Tanjung Jabung Timur, Tebo
5	West Sulawesi	Majene, Mamasa, Mamuju Utara, Mamuju
6	Lampung	No identified IPs
7	Bengkulu	Bengkulu Selatan, Bengkulu Utara, Kaur, Lebong, Seluma
8	West Java	Ciamis, Cianjur, Garut, Majalengka, Sukabumi, Sumedang, Tasikmalaya
9	Central Java	Cilacap, Demak, Pati, Semarang
10	West Kalimantan	Bengkayang, Kapuas Hulu, Landak, Melawi, Pontianak, Sambas, Sanggau, Sekadau, Sintang
11	North Sulawesi	Bolaang Mongondow, Kep. Sangihe, Kep. Talaud, Minahasa Selatan, Minahasa Utara
12	South Sulawesi	Bantaeng, Barru, Bulukumba, Enrekang, Luwu Utara, Luwu, Maros, Palopo, Sidenreng Rappang, Soppeng, Tanah Toraja, Wajo
13	West Nusa Tenggara	Bima, Dompu, Lombok Barat, Sumbawa Barat, Sumbawa
14	East Nusa Tenggara	Alor, Belu, Ende, Flores Timur, Kupang, Lembata, Manggarai Barat, Sikka, Sumba Barat, Sumba Timur, Timor Tengah Selatan, Timor Tengah Utara
15	Bali	Bangli, Karangasem
16	Bangka Belitung	Bangka Barat, Bangka Selatan, Bangka Tengah, Bangka Timur, Belitung
17	Banten	Lebak, Pandeglang
18	Gorontalo	Boalemo, Bone Bolango, Gorontalo
19	South Kalimantan	Balangan, Banjar, Hulu Sungai Selatan, Hulu Sungai Tengah, Kota Baru, Tabalong, Tanah Bumbu, Tanah Laut, Tapin
20	East Kalimantan	Berau, Kutai Barat, Kutai Kertanegara, Kutai Timur, Pasir
21	Riau Islands	Bintan, Karimun, Lingga
22	Maluku	Buru, Kepulauan Aru, Maluku Tengah, Maluku Tenggara Barat, Seram Bagian Barat
23	Riau	Bengkalis, Indragiri Hilir, Indragiri Hulu, Kep. Meranti, Pelalawan, Rokan Hilir, Rokan Hulu, Siak
24	Central Sulawesi	Banggai Kepulauan, Banggai, Donggala, Morowali, Parigi Moutong, Poso, Tojo Una-Una, Toli-Toli
25	South East Sulawesi	Bombana, Buton, Kolaka Utara, Kolaka, Konawe Selatan, Konawe, Muna, Wakatobi
26	West Sumatera	Kepulauan Mentawai, Lima Puluh Koto, Pasaman
27	South Sumatera	Banyuasin, Lahat, Muara Enim, Musi Banyuasin, Musi Rawas, Ogan Ilir, Ogan Komering Ilir, Ogan Komering Ulu, OKU Selatan

<sup>39</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

No.	Provinces	Districts with Potential Indigenous Peoples Presence
28	North Sumatera	Deli Serdang, Humbang Hasundutan, Langkat, Mandailing Natal, Nias Selatan, Pakpak Bharat, Serdang Bedagai, Simalungun, Tapanuli Selatan, Tapanuli Tengah, Tapanuli Utara, Toba Samosir
29	DI Yogyakarta	No identified IPs
30	North Kalimantan	Nunukan, Bulungan, Malinau

\*) List of names and locations of IPs in the village level is included in the World Bank Study on IPs Screening (2010)

## ANNEX 17: CHANCE FINDS PROCEDURES<sup>40</sup>

1. **Definition.** A chance find is archaeological, historical, cultural, and remain material encountered unexpectedly during project construction or operation. A chance find procedure is a project-specific procedure which will be followed if previously unknown cultural heritage is encountered during project activities. Such procedure generally includes a requirement to notify relevant authorities of found objects or sites by cultural heritage experts; to fence off the area of finds or sites to avoid further disturbance; to conduct an assessment of found objects or sites by cultural heritage experts; to identify and implement actions consistent with the requirements of the World Bank and Indonesian law; and to train project personnel and project workers on chance find procedures. In the contract agreement with the contractor, there must be provisions and guideline concerning what measures must be taken if these artefacts and structures are found within the sub-project site.

2. **Objectives.**

- a. To protect physical cultural resources from the adverse impacts of project activities and support its preservation.
- b. To promote the equitable sharing of benefits from the use of PCR.

3. **Procedure.** If the subproject activity discovers archeological sites, historical sites, remains and objects, including graveyards and/or individual graves during excavation or construction, shall:

- a. Halt the construction activities in the area of the chance find;
- b. Delineate and fence the discovered site or area;
- c. Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be arranged until the responsible local authorities or the District/Provincial Department of Culture, or the local Institute of Archaeology if available to take over;
- d. Forbid any take of the objects by the workers or other parties;
- e. Notify all subproject personnel (i.e. sub-project workers, *Tim Pelaksana Kegiatan* or TPK, local agency responsible for the protection of physical cultural resources) of the finding and take the preliminary precaution of protection;
- f. Record the chance find objects and the preliminary actions;
- g. Notify the responsible local authorities and the relevant Institute of Archaeology immediately (within 24 hours or less);
- h. Responsible local authorities would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures. This would require a preliminary evaluation of the findings to be performed by the local Institute of Archaeology. The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage; those include the aesthetic, historic, scientific or research, social and economic values;
- i. Decisions on how to handle the finding shall be taken by the responsible authorities. This could include changes in the subproject layout (such as when finding an irremovable remain of cultural or archeological importance) conservation, preservation, restoration and salvage;
- j. Implementation for the authority decision concerning the management of the finding shall be communicated in writing by relevant local authorities;
- k. The mitigation measures could include the change of subproject design/layout, protection, conservation, restoration, and/or preservation of the sites and/or objects;

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<sup>40</sup> These provisions will be mainstreamed in the new and existing regulations, guidelines, training modules, awareness training, integrated data-base management, and training delivery system, terms of references for TA, consultants and/or facilitators and monitoring and supervisory team/unit

1. Construction work at the site could resume only after permission is given from the responsible local authorities concerning safeguard of the heritage; and
- m. The subproject proponent responsible to cooperate with the relevant local authorities to monitor all construction activities and ensure that the adequate preservation actions already taken and hence the heritage sites protected.

4. **Requirements.** The TPK should include the chance finds procedure in the Work Plan or community's contract.

## **ANNEX 18: NOTES FROM PUBLIC CONSULTATIONS OF THE ESMF**

To be prepared