

AFB/B.37-38/3 22 November 2021

Adaptation Fund Board

# REQUEST FOR CHANGE IN PROJECT OUTPUT: KEMITRAAN (INDONESIA)

# Background

1. The Adaptation Fund Board (the Board) at its 33<sup>rd</sup>/34<sup>th</sup> intersessional meeting, approved a one-and-a-half-year project titled "*Community Adaptation for Forest-Food Based Management in Saddang Watershed Ecosystem*" in Indonesia submitted by the Partnership for Governance Reform in Indonesia (Kemitraan) for a requested amount of US\$ 835,465 (decision B.33-34/13). The overall objective of the project is to increase resilience to food security of the community of Saddang Watershed ecosystem to adapt to climate change. As mandated by the decision, an agreement was prepared and signed between the Board and Kemitraan.

2. The first tranche of disbursement for the implementation of the project was released following signature of the agreement in October 2019, with the total amount of US\$ 584,826.00.

3. The project held its inception workshop on 20<sup>th</sup> of October 2020. The Secretariat received the inception workshop report on 1<sup>st</sup> November 2020 and reviewed it subsequently. On 30<sup>th</sup> September 2021, Kemitraan shared with the Secretariat a letter of endorsement for proposed changes, signed by the Designated Authority (DA) for Indonesia. Such letter of endorsement and its related annexes are provided as Annex 1 of this document. Proposed adjustments to this project include i) a revision of the project management unit structure (see annex A.I.a of the letter); ii) a revision of outcome indicator's title (see annex A.II.a, b and c of the letter) and iii) a change in project output (see annex A.III of the letter). Such changes aim at enhancing the project coordination and knowledge management processes and at integrating into the project's design additional feedback received during the inception workshop. As outlined in Annex A.II.c of the letter, the secretariat confirms that such changes were endorsed by the local government and executing entity.

4. While the first two items (points i and ii above) do not require approval from the Board as they do not fall under the provisions set forth in Annex 7 of the Operational Policies and Guidelines, the third one (point iii) triggers Annex 7's clause on revision of the original target indicators for activities, outputs or outcomes. Indeed, for changes in project outputs, including introductions, modifications and deletions, the implementing entities should obtain prior approval from the Board. Such request for approval is elaborated in the below "Suggested change in output" section.

5. The letter of endorsement includes another proposed adjustment to the two year project titled "Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province, Indonesia" submitted by the Partnership for Governance Reform in Indonesia (Kemitraan) and approved by the Board at its 35<sup>th</sup> a./35<sup>th</sup> b. intersessional meeting for a requested amount of US\$ 1,125,015 (decision B.35.a-35.b/49). For reasons outlined in Annex B.I. a and b, of the letter from the DA, the project proposes to substitute one of the target village by another. The remaining 10 target villages remain unchanged and no changes in the original budget allocation are expected. This change does not require approval from the Board as it does not fall under the provisions set forth in Annex 7 of the Operational Policies and Guidelines.

#### Suggested change in output

6. As originally approved by the Board, the output 3.1.1 of the project planned to support the establishment and operationalization of a "Climate Change Adaptation Working Group Team (POKJA-API)". Output 3.1.1 associated indicator is: "1 Decree on POKJA-API for Scope of South Sulawesi".

7. Annex A.III of the letter of endorsement states that a Regional Low Carbon Development Working Group has already been established in South Sulawesi (POKJA-PPRKD), adding that the establishment of the Climate Change Adaptation Working Group (POKJA API) is, therefore, no longer relevant.

8. As a result, the request suggests strengthening cross-sectoral policies to ensure collaboration and sustainability of climate change adaptation within the existing working group. The new proposed output would read as follows: "Strengthening Work Group Team of South Sulawesi Regional Low Carbon Development Plan (POKJA PPRKD)". Its associated indicator would be: "40 people members of POKJA PPRKD increase their capacity on drafting adaptation to climate change plan".

9. Should such request be approved, the budget allocated to output 3.1.1 would remain the same than initially planned.

#### Secretariat's review of the request

10. Following a review of the request considering Annex 7 of the Operational Policies and Guidelines of the Adaptation Fund, the Secretariat finds that, given the explanation provided by the Kemitraan following the inception workshop and recommendations stemming from it, the request could be recommended for approval.

#### Recommendation

11. Therefore, the Board may consider and decide to approve the change in project output for the project "Community Adaptation for Forest-Food Based Management in Saddang Watershed Ecosystem" as requested by the Partnership for Governance Reform in Indonesia (Kemitraan).

#### Annex

1. Letter of endorsement by the DA of the requested changes and related annexes.

Annex: 1. Letter of endorsement by the DA of the requested change and related annexes



#### MINISTRY OF ENVIRONMENT AND FORESTRY DIRECTORATE GENERAL OF CLIMATE CHANGE

Manggala Wanabakti Building Block VII 12<sup>th</sup> Floor, Jl. Gatot Subroto – Jakarta 10270 Phone : +62 21 5720144 Fax. : +62 21 5720194; Website : http://dijenppi.menlbk.go.id email : husetditppi@gmail.com;

Jakarta, 28 September 2021

Our Ref : S.345/PPI/API/KLN.0/9/2021 Subject : Letter of approval for proposed changes of Adaptation Fund Projects in Indonesia

To:

Adaptation Fund Board Secretariat c/o Global Environment Facility Mail stop: N 7-700,1818 H Street NW Washington DC 20433 USA Email: afbsec@adaptation-fund.org

Dear Board Members,

With regard to the implementation of the Adaptation Fund (AF) project in Indonesia, I would like to inform you that *Kemitraan* (Partnership Governance Reform in Indonesia) as the National Implementing Entity (NIE), has submitted a progress report on the latest developments of AF projects in Indonesia. In the report, *Kemitraan* proposed adjustments to the following projects:

- Community Adaptation for Forest-Food Based Management in Saddang Watershed Ecosystem, implemented in 4 Regencies in South Sulawesi: North Toraja, Toraja, Enrekang and Pinrang;
- Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province, Indonesia;

As the National Designated Authority (NDA), my team and I have thoroughly reviewed and discussed the report with *Kemitraan*. Based on the discussion, the basis for consideration of changes can be accepted and I endorse the proposed changes or adjustments.

I thank you for your kind attention and cooperation.



Copy to: Kemitraan (Partnership Governance Reform in Indonesia)





Certificate No. QSC 01469

#### Report on the Changes in the implementation of AF-Indonesia Projects

#### A. Project: Community Adaptation for Forest-Food Based Management in Saddang Watershed Ecosystem

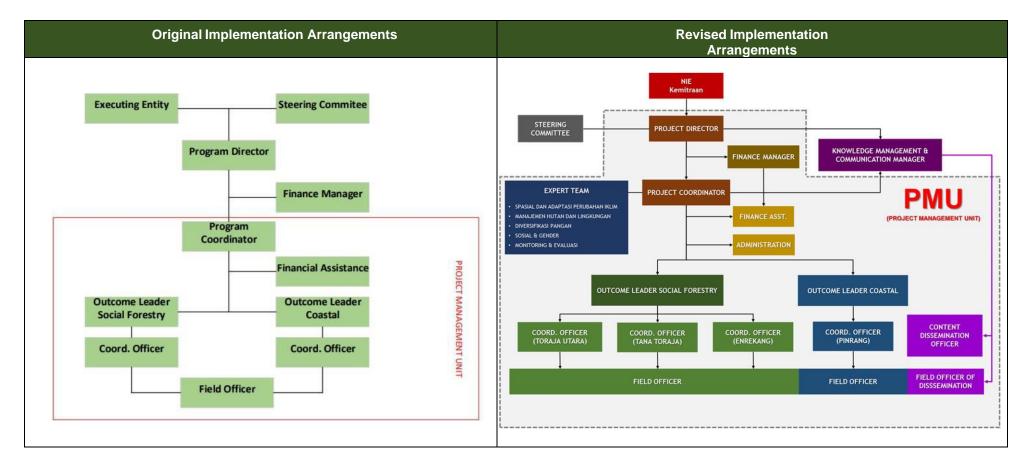
Changes:

- 1. Revised Project Management Unit structure as described in the Annex A.I.
- **2.** Indicator under Outcome 1.3:

The original outcome indicator stated the sold 2 types of food products from the social forestry group Improve value added by 30% from selling **2 kind of forest food products (honey and palm sugar).** The food product is revised to honey and processed tubers, as indicated in the **Annex A.II.a** of this document. The narrative of the justification is attached as **Annex A.II.b**. Official justification and recommendation for the changes is attached as **Annex A.II.c**.

 Output 3.1.1. of Outcome 3:
 Established and operating Climate Change Adaptation Working Group Team (POKJA-API) is changed to Strengthening Work Group Team of South Sulawesi Regional Low Carbon Development Plan (POKJA PPRKD), as indicated in the Annex A.III.

# Annex A.I. Implementation Arrangements Original and Revisions



Original Implementation Arrangements	Revised Implementation Arrangements
The Project Management Unit (PMU) marked with the red box in the picture above is a <b>technical implementation unit</b> in the field, where the Program Coordinator is in charge. The Program Coordinator will then report to the Program Director as the person in charge of the entire program.	Inception Report: The Project Management Unit (PMU) marked in the gray box in the image above is the
Field Officers at the beginning of the preparation of the proposal, it is planned to have 16 people. There are no personnel who are directly in charge of the program administration and dissemination process.	<ul> <li>Inception Report:</li> <li>Project management pays attention to the importance of the knowledge management process carried out to provide a wider project impact. Therefore, to achieve efficiency and effectiveness objectives, the number of Field Officers is reduced and replaced with officers who function and focus on communication, knowledge management, and dissemination, as well as administration. In the PMU structure, we added one Administration personnel, one Content Dissemination Officer, and two Field Officers of Dissemination personnel, and replaced 4 Field Officer positions.</li> <li>The reduction in the number of Field Officers and the addition of personnel for dissemination administration did not have a significant effect on changes in the program budget. This is because program management only substitutes the same number of personnel.</li> </ul>
	Revisions on the current program implementation:
	The results of the program evaluation during Q1 showed inequality in the downstream watershed area, Pinrang Regency. The number of intervention villages was 5 villages while the number of FOs was only two people so that POs and PMs helped the FOs. This resulted in hampering several activities at the coordination and consultation level at the regencies level. Recommendations from the KAPABEL's PMU meeting propose the addition of three (3) FO people to be consulted with the NIE namely Kemitraan (Partnership).

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Original Implementation Arrangements	Revised Implementation Arrangements
	At the beginning of the Second Quarter (Q2), a joint meeting was held with the NIE/ Kemitraan (Partnership) regarding the plan to increase the number of Field Officers (FO) on downstream (Pinrang Regency) and received approval by adjusting the budget. After the finance department checked the budget slot, the possibility of adding only for two (2) people of FO. Based on that, PMU recruited two (2) additional FO as assistants to the intervention village. One village that has not been covered is carried out by Program Officer/CoordinatorOfficer of Pinrang.

Annex A.II.a. Changes to the indicator of Outcome 1.3.

Original	Original	Revised	Revised	Original Output	Original	Revised	Revised	Justification for Proposed
Outcome	Outcome	Outcome	Outcome		Output	Output	Indicator	Revision
	Indicator		Indicator		Indicator			

#### Outcome Sold 2 types Sold 2 types of Output 1.3.1. 250 people Changes occurred in the Outcome No No changes No changes Indicator, namely the types of of food changes food products Increased skills from 10 1.3. processed forestfood products from Available of products from the social ofForest Social palm sugar to processed tubers. forest food from the forestry group Farmer, Forestry, products This change was made after we social Women and women and received inputs from various that are forestry Improve value Vulnerable vulnerable stakeholders who were present at the ready for added by 30% group Groupin groups have inception workshop/kick-off meeting. sale from from selling 2 managing increased The North Toraja Regency government advised not to convert palm sugar plant social Improve value kind of forest sustainable capacity to (Arenga pinnata) into powdered brown addedby 30% food products forestfood forestry manage sugar. from (honey and sustainable groups People are used to processingpalm sap selling 2 kind processed forest food into "arak/ballo" (traditional drink) and as a banquet at traditional parties in of forest food tubers) Tana Toraja and North Toraja Regency. products In addition, arak is considered to have a (honey and higher economic and efficientvalue than palm sugar) powdered brown sugar product, based on the cost and benefit analysis. They prefer to encourage processed tuber products such as taro, yam, sikapa or gadung and porang. Food Security Service of South Sulawesi Province representative also said the same thing. According to him, the *porang* commodity is currently being intensively encouraged to be developed, especially in the province of South Sulawesi. In 2021, the Ministry of Agriculture will plant *porang* in several areas in South Sulawesi. So it should be included in this program as well. This proposal was then strengthened by the Expert Team involved in this program. They reminded that the types of plants that were proposed

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**Original Output** Original Justification for Proposed Original Original Revised Revised Revised Revised Outcome Outcome Outcome Output Indicator Revision Outcome Output Indicator Indicator Indicator to the community apart from functioning as alternative food, also had market potential. Because usually people will develop commodities that have market potential. Finally, the type of root crops that are encouraged should be those that can grow under the stand. Such as uwi, gadung and also porang. We attached the full analysis or justifications why the powdered brown sugar product must be changed on several locations in this program.

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#### Annex A.II.b. Justification for the changes

#### Justification for Changing Palm Sugar Powder into Tubers Products

#### 1. Cultures

The existing condition of the communities in Tana Toraja and North Toraja Regencies is using palm sugar sap as a traditional drink in the form of *Arak/Tuak/Ballo*. *Ballo* is routinely drunk in the afternoon after people come from their farm or work. In addition, *ballo* is alsoa drink that must be included in local traditional/cultural activities such as *Rambu Solo*' and *Rambu Tuka*'.

#### 2. Process that can takes longer time

To make powdered brown sugar takes about four hours, by going through the process of taking palm sugar sap, filtering, cooking, crystallization process to become powdered brown sugar. Meanwhile, palm sugar sap to become palm sugar drink/*ballo*' only takes about 10 minutes, by going through the process of taking sap, filtering, and then putting it in a jerry can or bottle.

The process of making powdered brown sugar is quite long so that people do not agree to make powdered brown sugar. The right time to make powdered brown sugar should be in the morning and evening, this is because that time is the time for taking sap and a good time for making powdered brown sugar when the sap is just taken from the tree. On the other hand, if the sap is stored for several hours, it will become sour and can no longer be processed into powdered brown sugar.

#### 3. Low economic value

The price of palm sugar drink/ballo at the village level for the regencies of Tana Toraja and North Toraja is 4.000 IDR per liters (or around \$0,28 USD per liters). If we check in the town level, the price of palm sugar drink starts to increase to 10.000 IDR per liters (or around \$0,7 USD per liters). Meanwhile, to make 1 kg of powdered brown sugar requires 8 liters of sap, and the price of 1 kg of powdered brown sugar in South Sulawesi is between 25.000 – 35.000 IDR (or around \$1,75 - \$2,45 USD).

Economically, the value of powdered brown sugar is low compared to palm sugar drink/*ballo*. On the other hand, the labor cost to make powdered brown sugar is quite a lot because the process is quite long compared to *ballo*. According to the community, this is not quite worth it and they prefer to sell *ballo* rather than making powdered brown sugar.

#### 4. The tubers potential to replace the palm sugar

Based on this, it is better if the powdered brown sugar product is replaced with tubers product such as *uwi, gadung* and of course *porang*.

Especially for *porang*, the Government through the Ministry of Agriculture is currently actively promoting the development of this plant in various parts of Indonesia, one of which is in South Sulawesi. At the end of June 2020, the Minister of Agriculture symbolically released 60 tons of *porang* exports from South Sulawesi to China. In addition, in 2021 the ministry of agriculture through the food security service plans to plant *porang* on a large scale. This marks the government's seriousness in developing the *porang* plant species.

Currently, the price of *porang* in the market is around 8.000 –9,000 IDR per kg (around \$0,5-\$0,6 USD per kg). The population of *porang* in one hectare of land can reach up to 20.000 seedlings with a spacing of 100 cm x 50 cm. If the seeds come from tubers, the *porang* will be harvested after the planting age reaches 1 year. Meanwhile, seeds derived from *frog tubers/bubil* will only be harvested after the planting age reaches 2 years.

If one plant is able to produce 2 kg, then the amount to be harvested reaches 40 tons in one hectare. So that an income of 320.000.000 IDR (around \$22.367 USD) for one hectare of *porang* plants.

Annex A.II.c. Official justification and recommendation for the changes described in Annex A.II.b



#### MINUTES KICK OFF MEETING

#### COMMUNITY ADAPTATION FOR FOREST-FOOD BASED MANAGEMENT IN SADDANG WATERSHED ECOSYSTEM SOUTH SULAWESI PROGRAM

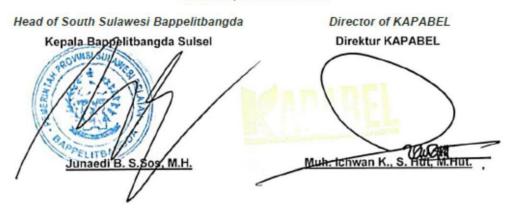
With regard to the Kick Off Meeting of the Climate Change Adaptation Program for the Saddang Watershed Ecosystem Based on Forest Food activity in:

Date	: Tuesday, 20 October 2020
Time	: 12:00 - 17.00 WITA (GMT+8)
Place	: Meeting Room Floor 4 <sup>th</sup> of the South Sulawesi Provincial Development Planning, Research and Development Agency (Bappeltibangda).
	JI, Urip Sumoharjo No. 269, Makassar City.

The material content that presented and discussed in this activity resulted in several recommendations from stakeholders both at the provincial and district levels of program interventions as follows:

- Include all social forestry schemes that are socialized to the community so that the community can choose according to their conditions and needs in each village;
- Introducing local tuber crops such as Kluwih (Artocarpus communis), Uwi (Dioscorea alata), and Porang (Amorphophallus muelleri); and
- The Working Group (POKJA) on GHG (Greenhouse Gas) Regional Work Plans has been formed since 2012 and in 2019 this working group changed to POKJA PRK (Low Carbon Development).

Thus, the minutes of the recommendation from the discussion at the Kick Off Meeting for Climate Change Adaptation of the Saddang Watershed Ecosystem Based on Forest Food in South Sulawesi were made and ratified with full responsibility so that they can be used properly.



Makassar, 20 October 2020

Original Outcome	Original Outcome Indicator	Revised Outcome	Revised Outcome Indicator	Original Output	Original Output Indicator	Revised Output	Revised Indicator	Justification for Proposed Revision
Component 3. S	trengthened sys	stem and insti	tutional capacity	to reduce risk associ	iated with climat	e induced socio	economic and e	nvironmental
Outcome 3.1	<b>a</b> "			Output 3.1.1.		Output		
Strengthened	3 policy	No	No changes	Established and	1 Decree on	<u>3.1.1.</u>	40 people	In the implementation of
cross-cutting	products	changes		operating Climate	POKJA-API for	Strengtheni	members of	climate change adaptation
policies in	that support			Change	Scope of	ng Work	POKJA PPRKD	and mitigation activities, a
ensuring the	climate			Adaptation	South	Group Team	increase their	Regional Low Carbon
sustainability	change			Working Group	Sulawesi	of South	capacity on	Development Working
of climate	adaptation			Team (POKJA-		Sulawesi	drafting	Group has been establishe
change				API).		Regional	adaptation to	(POKJA-PPRKD) in South
adaptation						Low Carbon	climate	Sulawesi. So the
						Developme	change plan	establishment of the
						nt Plan		Climate Change Adaptation
						(POKJA		Working Group (POKJA AP
						PPRKD)		is no longer relevant.
								So to support outcome 3.1
								related to strengthening
								cross-sectoral policies in
								ensuring the sustainability
								of climate change
								adaptation, collaboration
								and strengthening of POKJ
								PPRKD is needed.

# Annex A.III. Changes to the Output 3.1.1.

B. Project: Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province, Indonesia

#### Changes:

Substitution of a target village as reported previously during a (online) meeting. The villageconcerned is Lembanna Village that will be substituted by Tambangan Village. Chronology, justification and implication of the substation is explained in the Annex B.I.a. The official confirmation of Tambangan Village Head is attached as Annex B.I.b.

#### Annex B.I.a. Justification to the Substitution of Village Lembanna

#### Justification to the Substitution of a Target Village

"Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province, Indonesia"

#### A. Chronology

Lembanna Village within the Sub-district Kajang of Bulukumba Regency is one of the 14 target villages under the project Adapting to Climate Change through Sustainable Integrated Watershed Governance in Indigenous People of Ammatoa Kajang Customary Area in Bulukumba Regency, South Sulawesi Province, Indonesia starting to be implemented since 1 April 2021.

During the 1<sup>st</sup> quarter of project implementation so far, activity in Lembanna Village could not proceed due to no official permit given by the Village Head. Project Facilitator in charge for Lembanna Village was indeed having intensive coordination with the Village Head requesting the official start of project activity, but the Village Head concerned neither did react upon the request to start nor delegate to other village apparatus to lead the activity on his behalf.

Investigation conducted on the background information related to his refusal revealed that the concerned Village Head is currently facing lawsuit filed by based on report of the Lembanna Village Council and other apparatus on missappropriation of village fund. This information was confirmed by the concerned Village Head during a meeting on 31 May 2021, who then explained that he would focus on the legal process and therefore cannot guarantee the planned activity to be implemented without any disruption. At the end of the meeting, the Village Head concerned also suggested to substitute his village with another one for not to distract the continuation of the project and raise implication on the implementation.

#### B. Implication and justification

Based on the above chronology, it is concluded that:

- Project activity in Lembanna Village cannot proceed based on the current legal status of the Village Head,
- The above issue led to delay in the implementation and therefore affected the targeted project timeline,
- The condusiveness of Lembanna Village cannot be guaranteed based on the current lawsuit faced by the Village Head,
- As suggested by the concerned Village Head, substitution of Lembana Village need to be considered.

#### C. Efforts taken

The situation of Lembanna Village has led the project management of Payo-payo to:

- a. Reconfirmed the Village Head of Lembanna that he connot give official permit to start project activity in his village based on the current lawsuit he is facing,
- b. Project management of Payo-payo has conduct coordination and cunsultation with KEMITRAAN as the National Implementing Entity {NIE) of AF related to the issue. Reauest for the substitution of Lembanna Village with other village has also been made to the NIE. A {online} meeting has been conducted with the NIE, in which agreement on the plan to substitute Lembana Village was addressed under the condition that there is guarantee that the project activity can be optimally implemented in the substituting village,
- c. The project management of Payo-payo has listed two villages as alternative to Lembanna Village in Kajang Sub-district: 1) Mattoanging Village and 2) Tambangan Village. Considering the criteria given by Kemitraan, Payo-payo selected Tambangan Village as alternative to Lembanna Village, which is situated next to Lembanna Village and therfore has the similar geographical characteristics,
- d. A meeting with Tambangan Village Head has been conducted to officially request the village involvement in the project. Based on the meeting, the Village Head provided a letter confriming the inclusion of Tambangan Village in the project in coordination with the project management and the facilitator of Payo-payo.

#### D. Justification for the selection of Tambangan Village

Tambangan Village is situated within Kajang Sub-district in Bulukumba Regency, covering an area of 13 km<sup>2</sup> with 3,883 population {1.818 male and 2.065 female). Geographically, it lies on the same waterhed area as Lembanna Village, which is between Apparang and Raowa watersheds.

The selection of Tambangan Village to substitute Lembanna Village is based on following consideration:

- Tambangan Village is affected by climate change impact, such as lack of water for agriculture during dry season,
- Tambangan Village belongs to those villages within the structure of Kajang custom that holding the customary title of "*Moncong Bu/oa*", one that holds important role within the structure,
- Administratively, the Tambangan Village lies between the Apparang and Raowa watersheds as the Lembanna Village,
- TambanganVillage borders directly with Lembanna Village, meaning that there is no change in the allocated budget for the activity,
- Positive respond of the Tambangan Village Head towards the proposed involvementin the project and cooperation with the project management team.

# E. Implication to Budget

The substitution of Lembanna Village with Tambangan Village does not affect the current budget allocation based on the georaphical situation of Tambangan Village that borders directly with Lembanna Village.

Bulukumba 9 Juni 2021

25 1~

Andi Adriadi Project Leader

Annex B.I.b. Statement Letter from Tambangan Village Head agreeing on the inclusion of TambanganVillage

