

# Village Forest licences (Hutan Desa) in West Kalimantan: Way forward for equity and land security?



photo: Sébastien de Royer/World Agroforestry Centre

## Background

The Government of Indonesia has initiated a forest and agrarian reform process aiming to bring at least 30% of state forests under community-based forest management (CBFM) schemes (12.7 million ha in 2019).

One of the schemes promoted by the Indonesian government is called Village Forest (Hutan Desa). Village Forest became operational under Ministry of Forestry Decree no. P.49/Menhut-II/2008 of 25 August 2008. Village Forest areas are considered to be part of the national forest estate managed by a village community through a local village organization that plans, manages and allocates benefits derived from the forest for a period of 35 years and which is renewable for a further 35 years subject to approval of an annual work plan.

Areas which can be recognized as Village Forest must be administratively part of a village administration and managed by a village to improve general village welfare. Such areas can include protection and production forests as long as there are no existing permits.

However, 'no existing permits' implies that there are no permits given by the state (Ministry of Environment and Forestry/MoEF). In this context, the traditional rights of local people are not recognized (Moeliono et al. 2015). Furthermore, Village Forests should be located within village territory, however, a large proportion of villages in Indonesia have no clearly demarcated and legalized administrative boundaries.

A Village Forest licence allows villages to develop their own regulations and requires them to prepare annual work plans that must be approved and monitored by the Forestry Agency at the province level. The drafting of these technical work plans are, however, difficult for communities to undertake by themselves without external support from NGOs, governments and/or international organizations.

This brief analyses the situation, challenges and threats for two villages in the district of Kapuas Hulu, West Kalimantan Province.

## Key findings

- Village Forest licences are a good way to secure communal rights against external claims, and a viable strategy to retain control of land, especially for non-indigenous communities and long-term migrants.
- A Village Forest licence in its design does not fully cover the complexity of customary *adat* and traditional rights claimed by longhouses and individuals and does not take into consideration local specificities.
- There are many uncertainties about the objectives and implications of the program.
- Without free, prior and informed consent, risks of conflict between individual/group interests and the intended role of the program are higher.
- The process is entangled in conflicts over contested village communities' boundaries.
- Ownership of the responsibilities for community-based forestry management is not yet present at Forest Management Unit level.

## Research sites

The study was conducted in two villages in the district of Kapuas Hulu: Nanga Lauk and Menua Sadap.

In Nanga Lauk, villagers are officially of Melayu origin but the community is a mix of migrants who have settled in the area at various times in history. The proposed area for the 1430 ha Village Forest Licence is classified as Protection Forest (Hutan Lindung). The land is largely covered by swamp forest. People use the area for seasonal livelihood activities, such as fishing, harvesting forest honey and collecting non-timber forest products (NTFPs). Outside the designated area for Village Forest, people are making use of the flat river banks for smallholding rubber and dry-rice farming. Since the flatlands are often prone to floods, this has limited the development of agriculture in the area.

In Menua Sadap, the agreed area for the establishment of the licence is located on Limited Production Forest (Hutan Produksi Terbatas). Menua Sadap is composed of three sub-villages, each of them home to a 'longhouse' customary community of Iban Dayak origin. Longhouses are claiming forest territory to which the community holds customary land rights. The initial proposed area for the Village Forest licence consisted of 5100 ha and included a large area that falls under the ownership of Sadap longhouse. However, since Sadap sub-village decided to withdraw from the proposal, the agreed area has been reduced to 1395 ha, which is exclusively located on Kerangan Bunut customary land. The land is covered by secondary forest and is relatively underused. People use the area for the collection of NTFPs, fishing and the hunting of game. Because it is sloping land, very few people are opening swidden in the area.

In both villages, the working area for the licence (Penetapan Area Kerja/PAK) was approved by the MoEF in 2013, however, the management licence (Hak Pengelolaan Hutan Desa/HPHD) has not yet been granted by the governor of the province. During the preparation phase, people were involved in participative mapping and socialization (explanation to the community).

## 1. Securing land or generating conflict?

Legalizing local community governance through a Village Forest Licence can secure communal rights and protect the resource against outsiders and external claims. This is especially valid for heterogeneous village communities, largely composed of long-term migrants, who cannot claim historical or customary *adat* rights to the land they depend on for their livelihoods, such as in Nanga Lauk. A Village Forest licence is seen by the village community as a good opportunity to maintain rights over the area that is claimed to be part of a well-established indigenous community's (Dayak Embaloh) territory, affirming it to be the 'original' owner and inhabitant of the land, based on the notion of territoriality. It is, therefore, a way to decrease the risk of conflict between villages over boundaries, especially in places where the issue is still contentious. Although villagers in Indonesia rely on administrative boundaries, these are often contested in the name of customary rights.

A Village Forest licence is also perceived in this context as security against violations from logging or plantation companies that are prospecting to operate in the area. It is also a way to legalize their existing livelihoods' activities, such as honey harvesting and fishing in the protection forest area, which otherwise could be perceived by the state as encroachment.

However, in villages home to customary communities, a Village Forest licence could exacerbate or even generate new conflict. This complexity is shown in

the case of Menua Sadap. The village is home to three Dayak Iban longhouse communities which hold strong attachments to, and exclusive land rights over, their customary territories. Not all longhouse communities are willing to be part of the scheme and Sadap sub-village stepped back from the proposal owing to complex intra-village contention, internal politics and conflict between individuals and groups.

In this case, customary communities living in the subordinate longhouses who have a strong sense of territorial identity do not have a common interest and these internal, contentious, social relations may hinder the success of the scheme. Village boundaries are still unclear and contested in the area and the strong attachment of longhouse communities to their customary land still prevails. The overall perception is that forest belongs to the customary community through *adat* right and not to the state. People have difficulties understanding the Village Forest concept and are reluctant to engage in state-sponsored initiatives owing to a lack of trust in governmental institutions and past individual experiences.

## 2. Lack of understanding about the implications of the scheme

Many villagers in the studied areas were unaware of the Village Forest licence mechanism, its objectives and implications. Some community members were not clear about the differences between Village Forest,





The protection forest in Nanga Lauk is largely covered by swamp forest providing seasonal livelihoods for its community, such as fishing. (photo: Sébastien de Royer/World Agroforestry Centre)

protection forest or even forest concessions and the various functions of forest. According to interviews conducted with villagers, the Village Forest licence committees (LPHD) were not sharing information properly with the rest of the villagers. People were generally unsatisfied about information dissemination of the program's objectives and implications. There was, therefore, a potential risk of elite capture at the committee level, since only a few influential people within the committee seemed to be familiar with the concept. Extensive participative mapping and land-use exercises had been conducted in both villages but people still had difficulty understanding the concept behind the Village Forest licence because they had not experienced any direct benefit from it. People often mentioned that because they were not part of the committee they had no access to proper information.

The women provided separate feedback that they had never been invited to any socialization about the scheme. They reported, too, that they had nothing to say because it was men's business. They admitted that they did not really understand the rules and objectives of the Village Forest licence and were unclear about boundaries. Only the heads of households had been invited to socialization.

However, the licensing process also had a positive impact by strengthening the understanding of legality. In Nanga Lauk, for instance, during the process village regulations (Peraturan Desa) were developed to regulate activities at the licence site. The process strengthened village laws and people mentioned that they had a better understanding about these rules. The village regulations have been derived from customary rules and some new regulations have also been created.

### 3. New hopes for livelihoods' security

Although people had not experienced any concrete economic benefits from the Village Forest licence as yet, they hoped that it would contribute to their overall wealth and improve their financial situation. Forest Village licences are expected to secure livelihoods and generate new forms of livelihoods. People in the two studied villages hoped that they would receive more support, especially from donors, as well as from local governmental agencies. They hoped that the program would enable them to improve their economic situation and provide training in new techniques to add value to their production, especially for honey in Nanga Lauk. They also wished that external support would continue for the long term and that they would be trained in how to develop the production and marketing of other NTFPs, such as rattan, and to engage in ecotourism. This wish has been prioritized, especially by the women's groups. People specifically requested to be trained in the production and marketing of handicrafts. They also hoped that the program would be accompanied by activities outside the location for the improvement of agricultural activities.

### 4. Budgeting and benefit sharing

In places where livelihoods' activities were already taking place, such as in Nanga Lauk, people had already been trained in extraction methods, honey processing and standardization. However, training had only benefited a few individuals since not everyone in the village was engaged in honey harvesting. Women were generally not involved in honey-related activities.



The ones who were trained, including committee members, were encouraged to distribute their knowledge to the rest of the villagers but generally failed to do so.

The Village Forest licence as part of the village structure is supposed to generate benefits for the village through village institutions. Both villages had not yet organized cooperatives or established village enterprises (Badan Usaha Milik Desa/BUMDES). These types of village institutions should follow after the establishment of the licence in order to regulate the benefits derived from activities in the licence area. No support had been provided for the establishment of such institutions. Committees in both villages had expressed their desire to receive both technical and financial support for the purpose. Benefits from existing forest activities, such as honey in Nanga Lauk, continued to return to individuals and there was neither a village law nor an institutional mechanism that regulated the sharing of benefits from honey.

There were also concerns about the lack of financial support. Committees did not have budget to engage in any activity. Ideally, the budget should come from the village fund since the Village Forest licence is managed by village institutions and is part of the village assets. However, village representatives were acting carefully since the management licence had not yet been released. Furthermore, there was no annual work plan. Village institutions, therefore, could hardly allocate budget for activities that were not approved. Furthermore, village budgets were limited and mainly allocated for infrastructure development. No budget for activities had been allocated by either governmental institutions or supporting organizations.

## 5. Overlapping institutional responsibilities

According to Ministerial Decree no. P. 49/Menhut-II/2008, the government should foster, control and monitor the work of Village Forest committees. However, rules and responsibilities were unclear among the various responsible institutions at district and provincial levels. There were overlapping and confusing responsibilities.

At district level, the role of the forestry agency is to assist villages in their work plan, facilitate the process and engage in monitoring and evaluation. At the time of this study, they had only allocated budget for facilitation and did not have any budget to undertake activities within the Village Forest licence areas but only activities outside them. There were also uncertainties about future responsibilities for CBFM based on Law no. 23/2014 on Local Government. All responsibilities, budget and staff will be shifted to provincial level. Responsibility for forest management at site level will belong to Forest Management Units (Kesatuan Pengelolaan Hutan/KPH). For Village Forest licences, the budget will be shifted to provincial level but operational responsibilities will fall to KPH, especially for those licences located inside KPH areas. The success of Village Forest licences will, therefore, depend on KPH. But they did not feel responsible since their working plan (RPJP KHD) had not yet been approved by the province.

KPH is still a pilot program under the authority of the regent ('bupati') of the district and it has limited budget for operational costs. KPH are supposed to be responsible for the monitoring and evaluation of CBFM allocated in the areas that fall under their jurisdiction but do not have the financial means to undertake any activities.



Nanga Lauk village is home to a long-term migrant community who settled in the area at various times in history. (photo: Sébastien de Royer/World Agroforestry Centre)

At provincial level, the forestry agency also is responsible for facilitation and socialization and to support the submission of proposals and working plans but does not have budget for activities. They are also responsible to send verification teams to cross-check in the field before the governor grants the management licence but only have budget allocated to verify one Village Forest licence per year in the province.

The Watershed Management Agency (Balai Pengelolaan Daerah Aliran Sungai/BPDAS) also has the mandate to facilitate licence proposals and to undertake monitoring and verification as well to facilitate long-term and annual working plans.

The Production Forest Unit (Balai Pemantauan Pemanfaatan Hutan Produksi/BP2HP) has budget to support KPHs until they can sustain themselves financially but cannot finance any activities because the management licence had not been released.

## 6. Overall challenges

Overall, villagers felt that they were in a good position to take over responsibilities for the protection of ecological functions since they had been managing the area for generations to sustain their livelihoods. However, they required, and had requested, strong support to develop technical skills and find markets for their future production derived from their Village Forest licences. In Nanga Lauk, the villagers could build upon existing livelihoods' activities and will require support to further develop them. However, in Menua Sadap there was no major existing livelihoods' activity to build on. Committee members were unclear where to focus and the working plan documents gave priority to the development of agroforestry and ecotourism activities. Because the land is allocated for production forest, it allows the community to make use of the land for production purposes and activities are not only restricted to the collection of NTFPs.

Future success will depend on the clarity of the program, the involvement of the people, the relations between the committees and the villagers and how external support from donors will be provided in the long-term. There is also a risk of poor leadership since in the two villages the heads of the committee have been appointed based on their social status and positions rather than their interest in the scheme.

It is also crucial to find ways that benefit the entire village community and village institutions through the creation of cooperatives and enterprises that will be responsible for managing profits and investing in development. Rules and mechanisms for investment and equitable sharing of benefits need to be developed. If a village claims rights to profits it also has the responsibility of investing. The equitable

distribution of benefits from a licence needs to be clarified.

The case of Menua Sadap is unique since not all sub-villages are involved in the program. The benefits will, therefore, not be shared by the entire village community and it is unclear how Sadap longhouse will be involved in the scheme. The licence is supposed to benefit the broader village community and not be restricted to certain categories. However, given the existing situation it is likely that part of the village community will be left out and this will have implications in terms of benefit sharing and financing.

Granting Forest Village licences where sub-village boundaries are unclear and contested or without considering local rights and claims can exacerbate horizontal and vertical conflicts between customary and administrative institutions. Furthermore, since Village Forest licences are managed by village institutions and are part of the village assets, all people in a village need to be equally aware of the existence and implications of the licence and the role of the village committee mandated with its management.

The process is further challenged by uncertainties over boundaries in the field. Although administrative boundaries are often clear on maps, the reality in the field can be rather different and feature entrenched, contested claims.

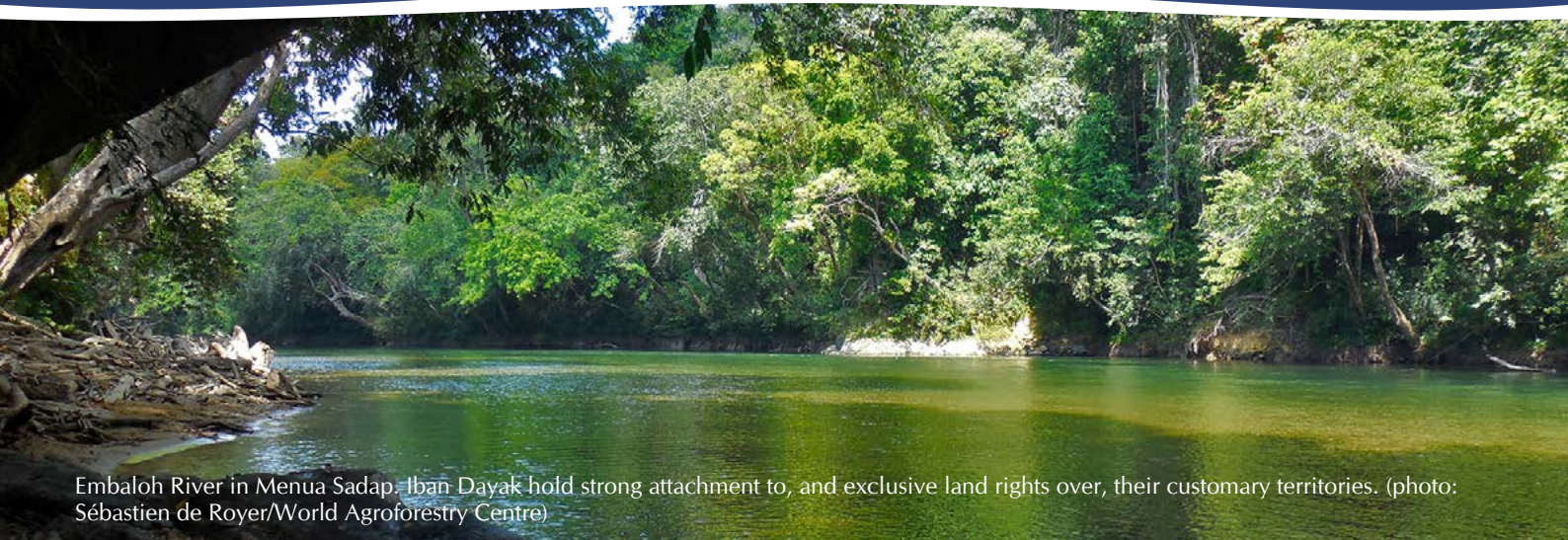
## Recommendations

Prior to granting a licence, a common vision of the Village Forest and its management needs to be established, including clear agreements on roles, rights, responsibilities and sanctions. Furthermore, there should be continuous and repeated socialization to ensure that all people fully understand the program's objectives, benefits and functions and the rights over the allocated forest.

Women should be more involved and there should be targeted activities that fulfil their aspirations, such as the processing of NTFPs (for example, rattan). They should also be given more space within committees.

Beside the main objectives stressed in the working plan documents, short-term activities with direct benefits should be supported in or outside the licence area to increase people's trust in the program. These activities should fit the specificities of the land. For instance, in Nanga Lauk, which is prone to frequent floods, hydroponic and aquaponic-like systems could be developed. This would, however, require long-term and intensive support. Long-term support is also required in the development of existing livelihoods and the establishment of new livelihoods-generating activities, such as agroforestry. An intensive presence in the field is, therefore, required.





Embaloh River in Menua Sadap. Iban Dayak hold strong attachment to, and exclusive land rights over, their customary territories. (photo: Sébastien de Royer/World Agroforestry Centre)

Village Forest licences to date have often been managed by individuals without overall management plans. To avoid this, designation of a Village Forest licence should be preceded by a process of free, prior and informed consent accompanied by building the capacity of the chosen village institution that will be in charge of management. Furthermore, the rights of villages and villagers to their territory need to be clarified and formally recognized.

The fact that a Village Forest licence must be administratively part of the village institution and managed by a village organization may not be an appropriate mechanism in areas where the feeling of belonging to an indigenous community and the attachment to customary land-based identity is very high and coupled with contested claims. In these cases, based on the willingness to participate of community members and farmers' groups, other CBFM mechanisms, such as Community Forest (Hutan Kemasyarakatan/HKm) might be more appropriate.

The management of Village Forest licences needs to be integrated with general development plans. Agricultural advisory or extension services could be developed as a home for government facilitators. A longer-term program could be the empowerment of the agricultural extension service and KPH. Funds could be made available through the district budget.

In the longer term, the budget would need to be incorporated into the village budget and activities integrated into the village development plan (RPJMDES).

There should be cross-sectoral involvement in the development of activities by not only involving forestry institutions but others as well, for example, the tourism agency.

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