

# Terms of reference



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## GENERAL INFORMATION

**Title: Research Coordinator - Assessing the Effectiveness of Forestry Online Permit Systems in Mitigating Corruption in the Forestry Sector**

**Project Name :** Participatory Governance Assessment (PGA)

**Reports to:** Project Manager (NPM PGA)

**Duty Station:** Home Based

**Expected Places of Travel (if applicable):** Provinces in Indonesia if required

**Duration of Assignment:** 4 Months (80 working days)

## REQUIRED DOCUMENT FROM HIRING UNIT

v	TERMS OF REFERENCE
4	<b>CONFIRMATION OF CATEGORY OF LOCAL CONSULTANT , please select :</b> (1) Junior Consultant (2) Support Consultant (3) Support Specialist (4) Senior Specialist (5) Expert/ Advisor <b>CATEGORY OF INTERNATIONAL CONSULTANT , please select :</b> (6) Junior Specialist (7) Specialist (8) Senior Specialist
v	APPROVED e-requisition

## REQUIRED DOCUMENTATION FROM CONSULTANT

v	CV
v	Copy of education certificate
v	Completed financial proposal
v	Completed technical proposal ( if applicable )

### **Need for presence of IC consultant in office:**

- partial (explain),  
 intermittent (explain, meetings at UNDP office if required)  
 full time/office based (needs justification from the Requesting Unit)

### **Provision of Support Services:**

- Office space:*  Yes  No  
*Equipment (laptop etc):*  Yes  No  
*Secretarial Services*  Yes  No

If yes has been checked, indicate here who will be responsible for providing the support services: N/A

Signature of the Budget Owner:

## I. BACKGROUND

Indonesia's PGA assessment seeks to produce relevant and accessible governance information regularly to: a) feed into national information systems and; b) to be used actively by government and civil society to undertake necessary reforms. The PGA's objective in 2014 is to build on the PGA initiative in order to put in place a stronger basis for REDD+ and forest governance. It aims to refine the methodology, publish the 2014 PGA Index, support both national and sub-national governments

and partners to adopt the PGA and implement its recommendations and conduct the auditing of the Ministry of Forestry's online permit systems.

#### **BACKGROUND:**

Indonesia has the third largest tropical forest coverage in the world. What happens to Indonesia's forests not only affects the quality of life and economic well-being of all Indonesians, but it also affects the entire global community. It is for this reason that, when the President of Indonesia made a global commitment to cut greenhouse gas emissions by 26% by 2020 using the country's own resources, or by 41% with international support, the world took note.

Partly because of this, in late 2010 the Government of Indonesia signed a Letter of Intent with the Government of Norway to embark on an ambitious program to halt deforestation and forest degradation, while at the same time ensuring that the country continues to grow. In other words, the collaboration is intended to support Indonesia in its quest for a greener path towards growth and prosperity.

In order to address deforestation and land degradation, it is also important to address critical issues on forest governance. Good forest governance is critical to the success or failure of the implementation of REDD+ in particular, and forest and land management in general. In the context of forest and land management, the existing structure and practices of forest governance directly affect how issues are defined, policies are made and later implemented to reach set goals.

Although there are current initiatives to address forest governance issues (the forest moratorium, one map policies, timber certification, sustainable palm oil and law enforcement) the overall score of the 2012 PGA Index indicates that there is much room for improvement. The report uses a scale of 1 to 5 to calculate an overall index value of forest, land and REDD+ governance. The result for 2012 was an index of 2.33, which is still below the ideal score of 3.5 and above. This value is derived from the average Forest Governance Index at the central level (2.78) combined with the average index value calculated for the 10 provinces with the largest forest areas (2.39), and the average index value of 20 districts surveyed within these provinces (1.8).

Inadequate forest governance, problems with protected forest and forest conservation management and huge gaps in the management of state forest areas have all been recognized by the government. Several new initiatives have been launched to complement existing ones. The latest saw 12 ministries and agencies sign a Memorandum of Understanding to accelerate forest gazettement in state forest areas. At the same time, it will also function to resolve forest related conflicts and overlapping rights among forest users. The MoU was initiated by KPK (the Corruption Eradication Commission) and UKP4 (the Presidential Delivery Unit for Development Monitoring and Oversight).

In the Ministry of Forestry, a series of efforts have been undertaken to strengthen forest governance. They include the establishment of a one-roof forestry permit system - including an online system - which aims to reduce direct interface between clients and government officers in the ministry. The Ministry of Forestry also signed a MoU with law enforcement institutions to apply a multi-door approach in dealing with organised forest crimes. In addition, the Ministry of Forestry is also working closely with KPK to monitor corrupt practices at the ministry. Several ministerial regulations have also been issued related to forest partnerships with the community, establishment of forest boundaries and the simplification of the forest permit process.

While all planning and implementation arrangements are prepared at the central level, they also **need to be equipped with monitoring instruments**. Those instruments need to be tested. This activity is proposed to analyse the effectiveness of the online permit system and obstacles faced by clients (including high cost transactions) and to provide policy and technical recommendations for improvement. The online system is intended to prevent corruption practices during permit application at the Ministry of Forestry and to speed up service delivery. This is one of the Ministry of Forestry's efforts to prevent high rates of corruption in the Forestry Sector, as it is one of the underlying causes of deforestation and forest degradation in Indonesia.

Despite the launch of the online system, PGA's preliminary study on high cost transaction in the forestry sector demonstrated that the system does not eradicate corruption practices significantly and does not reduce the permit processing time. This is because the online system only changed the mode of submission, from manual to online or through the one-roof permit counter at the Ministry of Forestry. In addition, the online system assumes that all other requirements - particularly recommendations from the local government - are in place. In reality, the process is time consuming and potentially incurs high transaction costs. The online system thus needs to be examined and the results will serve as key references for improvement and monitoring tools.

### **OBJECTIVES**

The study of the effectiveness of the online permit system in mitigating corruption related activities within the Ministry of Forestry aims to analyse the effectiveness of the online permit system and obstacles faced by the clients (including high cost transactions) and to provide policy and technical recommendations for improvement.

The study will focus on the demand and supply sides of six online permit systems within the Ministry of Forestry. They are:

- Logging utilization permit
- Timber plantation permit
- Ecosystem restoration
- Forestry permit for mining activity in state forest areas
- Forestry permit for exploration and surveying in state forest areas
- Forest conversion for other land uses

It will assess 401 applicants by surveying those who use the online permit system from January 1, 2013 to January 17, 2014.

## **II. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED ANALYTICAL WORK**

The successful applicant is expected to do the following consultancy work:

- Finalizing the assessment framework by taking inputs from members of the PGA expert panel. These include Prof. Dr. Hariadi Kartodihardjo, Dr. Sunaryo, Dr. Abdul Wahib Situmorang, Purwadi Soeprihantono, S.hut, M.E, Ir. Djati Witjaksono, M.Si and Jossi Katarina, SH, LL.M.
- Collecting required data and information using several methods, namely, surveys (might use online survey if it is workable than face to face), in depth interviews, FGD with key persons and content analysis of existing regulations related to online systems such as FORESTRY MINISTERIAL DECREE NO. 324/MENHUT-II/2012, SOP etc.
- Developing a report and adjoining summary of the study.
- Participating actively in meetings on the finalization of the assessment framework and the development of the assessment report.

### **DELIVERABLES**

- The assessment framework is finalised.
- Gathered raw data from the survey, content analysis and interviews are available and compiled into one folder.
- Inputs taken from the expert panel and key stakeholders are integrated into the assessment report.
- The completed report in Bahasa is finalized and submitted to UNDP Indonesia.

## REPORTING AND MONITORING

For administrative and operational matters, the selected researcher will report to Project Assistant of the Participatory Governance Assessment Project in Indonesia.

For substantive matters and to ensure overall cohesiveness of the data collection process, the selected researcher will also need to communicate regularly with the Project Manager of Participatory Governance Assessment in Indonesia. The work plan and activity reports describing the detail of the services rendered as per submitted proposal should be submitted by the selected researcher on a monthly basis.

### III. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

The PGA is seeking candidates who have a specialization in Forest Governance related issues, particularly pertaining or related to corruption. The applicant must have a minimum as the following required qualifications:

- Education: A master's degree in a relevant field in relevant fields;
- Five years of experience in a forest governance related field as reflected in the applicant's CV;
- Five years research experience in forest and governance related issues as reflected in the applicant's CV;
- A sound knowledge of forest policy, forest governance, public administration in the forest sector and climate change issues.

### IV. EXPECTED RESULTS

Review/approval time required to review/approve the outputs prior to authorizing payments. The report submitted will be in MS format, with following deliverables.

Deliverables	Due Date	Payment
• Finalize the assessment framework.	May 2014	20 %
• Gathered raw data from the survey, content analysis and interviews are available and compiled into one folder.	June 2014	30%
• Take inputs from the integration of expert panel and key stakeholders into the assessment report.	July 2014	30%
• Submit completed finalizing report in Bahasa to UNDP.	August 2014	20%