

CEPF SMALL GRANT FINAL PROJECT COMPLETION REPORT

I. BASIC DATA

Organization Legal Name: Perkumpulan Uma Mentawai

Project Title (as stated in the grant agreement):

Enhance Community Capacity through Rattan Product Development in Northern Siberut

Implementation Partners for This Project: CI Indonesia, CU. UMA, Local Organization (Youth groups, Adat leaders), Deperindagkop

Project Dates (as stated in the grant agreement): 1 August 2004 – 31 August 2005

Date of Report (month/year): 24 October 2005

II. OPENING REMARKS

I. Background

Siberut Island is located 90 miles off shore of Padang city, capital of West Sumatra. Population 35,000 with total area 4,772 km². Rainfall is relatively high and no long draught since this island surrounded by sea. Siberut Island is a sedimentary island that has been distanced from Sumatra Island for 500,000 years in the middle of Pleistocene (WWF, 1990). Due to long time isolation, Siberut Island has high species endmism. Siberut has terrestrial ecosystem: primary and secondary forest, mangrove and coastal environment. According to LIPI (Indonesian Institute of Sciences) research in 1994, Siberut flora has 846 species, 390 genus and 131 family. In terms of its fauna, Siberut as 29 species of mammals, the most important are 4 endemic primate species: *Hylobates Klosii*, *Macaca pagensis*, *Presbity potenzi* and *Simias concolor*. Currently those 4 primates are endanged due to big scale logging operation and hunting using illegal guns.

Forest holds important value to Siberut people. Most people depend very much on forests for their subsistence economy, source of foods, medicine and other daily lives consumptions. Rattan, sandalwood, cloves, coconut farmings are among farming activities in Siberut.

When large scale forest conversion by forest concessionaires (HPH/IPK) came in Siberut, people's lives and social structure changed. Conflicts between clans that are giving up and protecting their lands are arising and continue to degrade social and economy structures in Siberut.

II. History of Rattan Utilization in Siberut

In Indonesia, rattan contributes up to 75% of total non timber forest products during 1982-1988 (Miranda, 1987 in Godoy, 1990). In 1988 export of raw and semi-processed rattan from Indonesia reached US\$100 million, way above other non timber forest products.

Indonesia is the highest international rattan exporter. In 1996, almost 80% of rattan came from Indonesia, more than 90% of it came from natural forests in Sumatra,

Kalimantan and Sulawesi, and only 10% came from farming/cultivation with much smaller diameter (Silitonga, 2002).

Rattan has been major commodity of Siberut. Kramer, et. Al (1997) claimed that 64% of Siberut people involve in rattan business. Increase of rattan price in the past years encourage more and more people to get involve in this business. Since natural rattan is getting harder to collect, Siberut people began to plant rattan in their unused lands and/or back and front yards (Perum, 2005).

Directorat General PHKA in 1994 showed that rattan potency in Siberut is relatively high compare to other areas in West Sumatra. In natural forest there are different kinds of rattan: : **Manau, Rotan, Tabu-tabu mawi, tabu-tabu (Lobak jojok), Rui (mangsa tabu-tabu), Ugei, Mandorouk, Alibat, Al imama.** Manau rattan is 100% farmed and cultivated in Siberut. In 1998, Siberut produced about 2-2.3 million of rattan (3 meter long). One rattan held about 6-20 pieces with average price of Rp. 3000 per piece. This made rattan farmers should have earned about Rp. 66,200/day, with the contribution to local government Rp. 1,000/piece, in 5 years after rattan grew, rattan farmers could earn about Rp. 66,200,000/year (or US\$6,000/year) However rattan farmers could not get cash from the rattan, but rather barter to daily goods from the middle men in the port.

Unfortunately rattan farmers has no strong bargaining position due to limited access to market, monopoly (mafia) and high price of transportation. Long marketing chain causes the selling price low hence community benefit is not as high as it was expected. Big scale logging practices made community hard to collect rattan from the forest. Fauzi Sutopo in 1994 revealed that community needs to walk 4-13 days inside and out the forest, and spends about 10 days to collect the rattan in good rainy days. When dry season comes, they need to spend more time since rivers dry and prevents small boats from running, hence making the transportation time longer.

III. Purpose of Participatory Study of Rattan Potency

The purpose was to collect accurate data on the potency of community rattan farming and develop farmers' capacity in North Siberut. This study resulted in a database and a map showing rattan potency in Siberut including species of rattan, location/distribution, history of rattan utilization in Siberut, collection system, cultivation and technology of rattan production, marketing system, economy value, capacity of famers and their financial institutions. With all the information available, it was expected that a strategy to develop rattan farmers' capacity could be developed and implemented to support sustainable economic activities that will save Siberut forests and ecosystem.

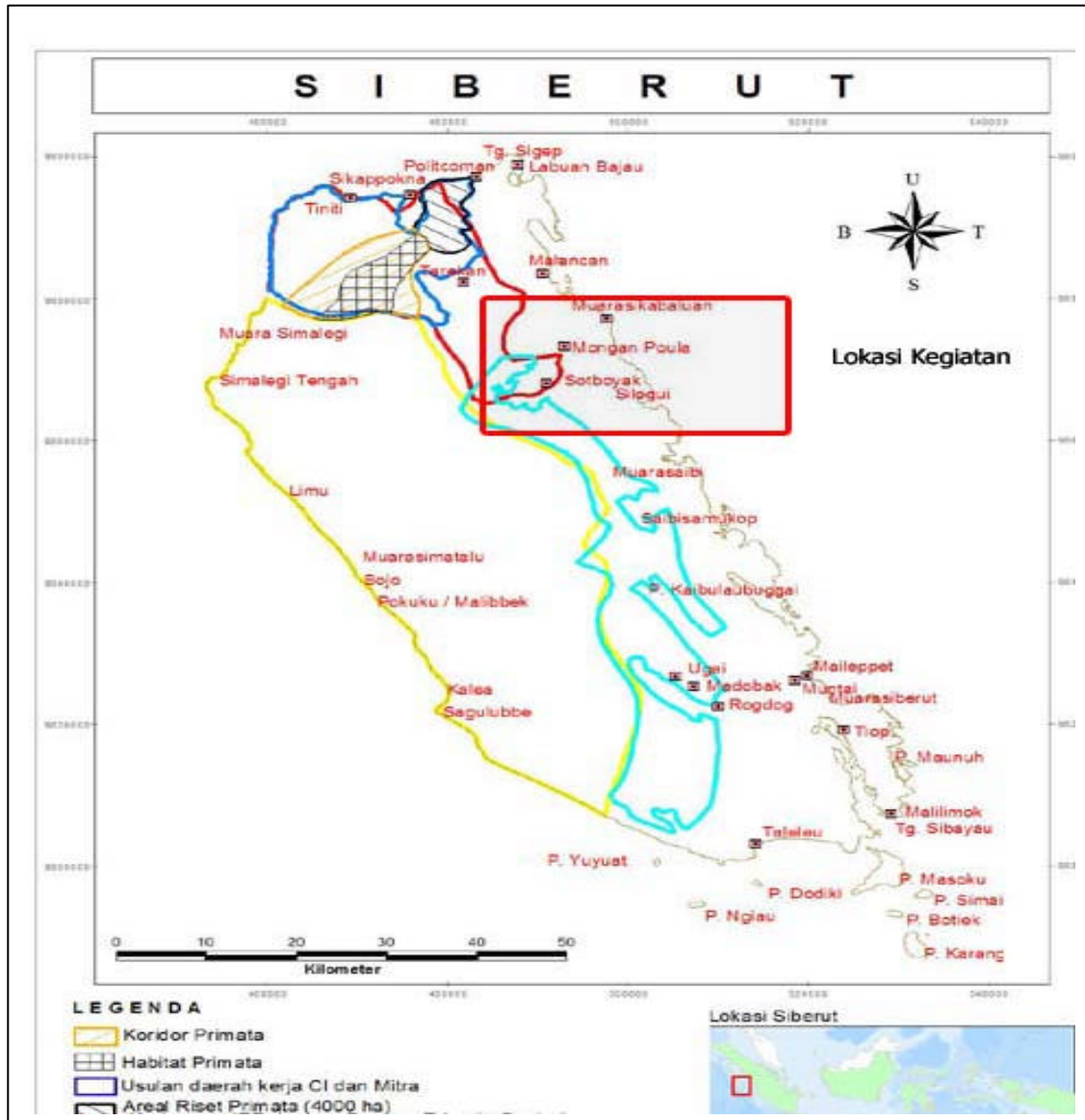
It was expected that through these activities, community and other players' awareness on the available choices of non timber forest production and utilization would be raised and eventually raise people's awareness and responsibility to save Siberut forests.

Data collecting using participatory method with strucutred interview.

IV. Project Location

The project was located in 3 villages in Northern of Siberut: Sotboyak, Mongan Poula and Bojakan, which cover an area of 15,000 ha of natural forest and farm lands.

Picture 1. Project Location Participatory Study of Rattan Potency.



III. NARRATIVE QUESTIONS

1. WHAT WAS THE INITIAL OBJECTIVE OF THIS PROJECT?

This project was to organize and develop capacity of rattan farmers in 3 villages in northern part of Siberut as way to conserve natural forest in the north for a total 15,000 ha.

The focus areas are: **Desa Sotboyak, Mongan poula, Bojakan** where PERUM has been doing community organizing for more than 2 years, especially in developing Credit Union.

2. DID THE OBJECTIVES OF YOUR PROJECT CHANGE DURING IMPLEMENTATION? IF SO, PLEASE EXPLAIN WHY AND HOW.

The objectives of our project did not change during implementation.

3. HOW WAS YOUR PROJECT SUCCESSFUL IN ACHIEVING THE EXPECTED OBJECTIVES?

The project was successful in achieving expected objectives in several aspects:

1. Impact to conservation
 - a. Impact to conservation was not very strong. Several clan leaders gave up their lands to company (forest concession). Internal clan conflicts between clans gave up and hold their lands were getting stronger.
 - b. 15,000 ha of natural forest maintained, although remain under threat if the rattan production and development are not continuously maintained.
2. Impact to increasing community's economy
 - a. Credit Union CU UMA started in 2002, and in early 2005, assets decreased by 0.5% (1.3 billion rupiah or 130,000 USD). Based on meeting between all members of CU in July 2005, the decreased was due to clan conflicts that resulted decrease quality and quantity of CU members.
 - b. Credit system was reviewed and membership requirements were tightened to ensure that the money flowing is not triggering high consumption life style among the community that could result in horizontal conflicts.
 - c. Cooperative PUKUNEMAN
 - i. This new cooperative developed in 1 September 2005 to address rattan's marketing issue.
 - ii. Until now rattan manau in 3 villages can only sell their rattan in several points and to only several middle men in Muara Sikabalu (port to Padang) that have permits to sell and buy rattans from farmers.
 - iii. The Cooperative was established to try to bring the rattan direct to Padang.
3. Impact to policy/decision making process and advocacy against forest concessionaires in Siberut:
 - a. Through this project, rattan issues have become important issues in this area.

- b. Bupati Mentawai visited the village 2 x and had intense discussions with the community, PERUM, and CU UMA: (7 November 2004 and 27 August 2005).
 - c. PERUM was also involved in the discussion and provided inputs to government regarding community's issues such as rattan and forest concessions (HPH).
 - d. PERUM was involved in discussions with Siberut National Park authority in trying to ensure NP programs do not conflict with community priorities and agendas.
 - e. PERUM together with other NGOs (CI, YCM, WALHI), sent letters to Ministry of Forestry and participated in the preparation of independent team visit to Siberut in reviewing HPHs in Siberut.
 - f. PERUM was involved in various discussions regarding logging issues in Siberut.
4. Impact on community's capacity building
- a. Rattan development and cultivation in 3 villages is now widespread to reach almost 100% of community's population.
 - b. Community raised awareness on the importance of keeping the forest intact. They have already been able to witness and said among themselves that HPH could only bring short-term and direct benefit to community. Some people who gave up their land to HPH were rich only momentarily, and then they became poor since there was no land for them anymore.
 - c. Community also saw environmental impact to HPH: in October 2004, for the first time ever, Mongan Poula and Sotboyak were hit by flood, 70 houses drowned and crops were destroyed. Community blamed HPH for the destruction.

4. DESCRIBE ANY POSITIVE OR NEGATIVE LESSONS LEARNED FROM THIS PROJECT THAT WOULD BE USEFUL TO SHARE WITH OTHER ORGANIZATIONS INTERESTED IN IMPLEMENTING A SIMILAR PROJECT.

THE POSITIVE LESSONS.

- a. Be consistent in implementing the project with some adaptive management with multi stakeholders in decision making and provide real activities that can benefit wider community can "win" community trust and participation.
- b. Developing community economy through existing mechanism (Credit Union, Cooperative) should be encouraged and NGOs and/or other players should take advantage of existing economy vehicle in the community.
- c. Community should in the very early phase be encouraged to think about long term benefit and cost of any decision. Decision to accept or reject HPH/IPK should be laid out in the beginning with real data to help community making informed decision.
- d. Community needs "mediator" or middle men/organizations to talk to decision makers at the kabupaten and provincial level. PERUM has been playing that role.
- e. Through PERUM work and advocacy, we are able to save 15,000 ha of mostly natural forest owned by 3 villages clans and through support of Mentawai regency, we received support to develop small portion of that forest for sustainable and conservation oriented rattan and cacao farming.

THE NEGATIVE LESSONS:

1. Project time was very short to adequately develop common initiatives/movement among rattan farmers to raise their bargaining position since rattan industry in Padang and Siberut has long been established.
2. Despite the direct economic benefit, not all community support the project since there are still clans/individuals want to have quick cash by giving up their land to the HPH.

6. DESCRIBE ANY FOLLOW-UP ACTIVITIES RELATED TO THIS PROJECT.

6.1. Continue to improve capacity of financial institutions within the community organizations so that they have stronger bargaining position to overcome rattan mafia in Padang and Siberut.

6.2. Develop stronger link between community business and conservation.

6.3. Maintain and improve community productivity so that government can trust that community is able to maintain rattan production.

6.4. Develop stronger link and movement with South Siberut players so that all Siberut can work together on the common issue in Siberut.

6.5. Improve capacity of PERUM through several trainings and internships.

6.5. Continue to improve communication with the government at all levels so the national government can be convinced that logging has no short and long term benefits in Siberut.

6.6. Present results of community economy activities (CU UMA and Cooperative Pukuneman) to national and provincial decision makers so that government convinced that these institutions can be tools to save Siberut ecosystem while at the same time provide direct economic benefit to the community.

7. PLEASE PROVIDE ANY ADDITIONAL INFORMATION TO ASSIST CEPF IN UNDERSTANDING ANY OTHER ASPECTS OF YOUR COMPLETED PROJECT.

1. Credit Union CU UMA

CU is financial institution that provides services to improve socio economy members through education and training. Services provided by CU include:

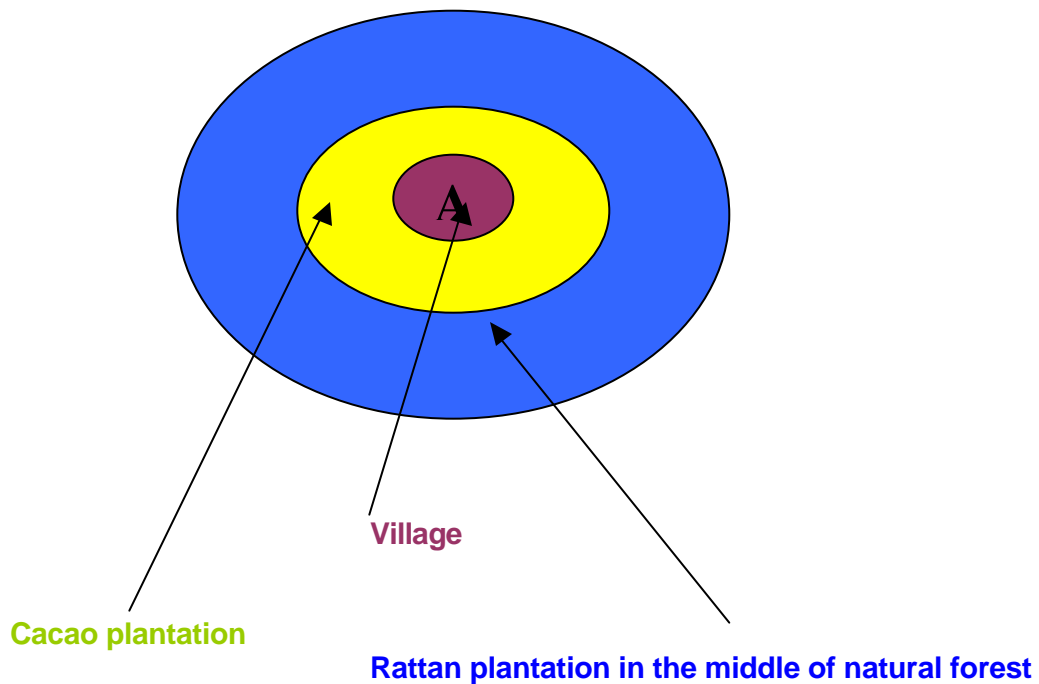
- a. Health benefits
- b. Scholarships
- c. Mentawai solidarity fund.
- d. Social security fund.
- e. Stock (bond) and non-stock saving.
- f. Credit for small and medium businesses
- g. Support for cooperatives

2. KSU. Pukuneman

This is a cooperative specifically for rattan farmers in Siberut to cut the selling lines in Siberut hence raising the benefit to the members.

This cooperative was developed as a follow up from this CEPF-funded project as choice of Siberut farmers to save Siberut forest against logging activities. Bupati Mentawai strongly supports this initiative by developing a buffer zone between villages and rattan plantations to become a cacao plantation. Cacao plantation will be planted in the abandoned land in Sotboyak that used to be planted by “nilam” but since it had no production, people abandoned the land.

Rough scheme of the land use in Sotboyak and Mongan poula



Bupati admitted that Mentawai government does not have capacity to develop professional community-based business. Bupati agreed to invest government money to CU UMA through Bank Perkreditan Rakyat that will serve as motor to provide funds for rattan business and other commodities.

IV. ADDITIONAL FUNDING

Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.

Donor	Type of Funding*	Amount	Notes

***Additional funding should be reported using the following categories:**

A Project co-financing (Other donors contribute to the direct costs of this CEPF project)

B *Complementary funding (Other donors contribute to partner organizations that are working on a project linked with this CEPF project)*

C *Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF project.)*

D *Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

Provide details of whether this project will continue in the future and if so, how any additional funding already secured or fundraising plans will help ensure its sustainability.

V. ADDITIONAL COMMENTS AND RECOMMENDATIONS

VI. INFORMATION SHARING

CEPF aims to increase sharing of experiences, lessons learned and results among our grant recipients and the wider conservation and donor communities. One way we do this is by making the text of final project completion reports available on our Web site, www.cepf.net, and by marketing these reports in our newsletter and other communications. Please indicate whether you would agree to publicly sharing your final project report with others in this way.

Yes V

No _____

If yes, please also complete the following:

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