

Selamatkan nasib bangsa  
dari kejahatan Korupsi!

# ***THE ROLE OF TRANSPARENCY INTERNATIONAL INDONESIA in the Forestry Sector***

Tools as instrument

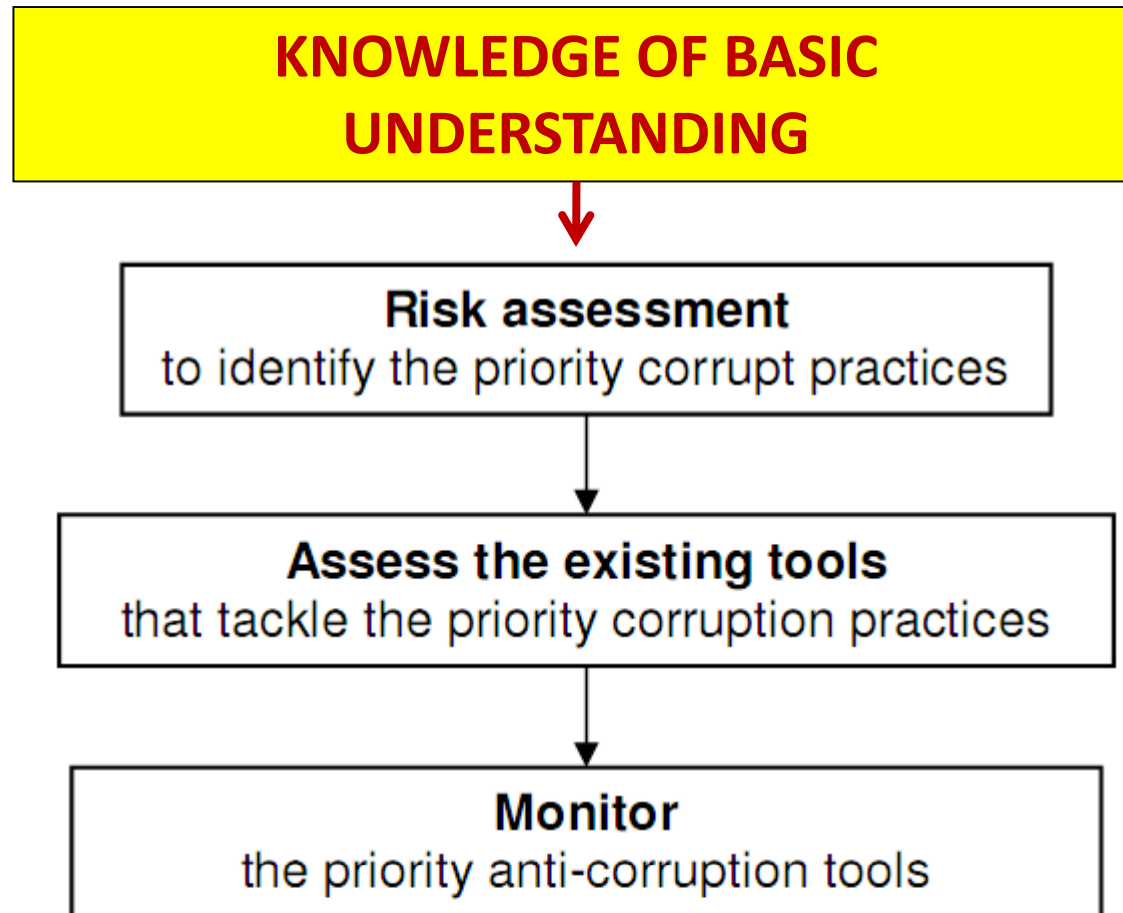
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TII-FGI , May 2010

# Summary

- **Corruption: abuse of entrusted power for personal advantages, undermining good governance and the rules of law.**
- **Corruption in the forestry sector also degrades the environment functions, puts rural communities at risk, and robs the public rights for up to billion of dollars annually.**
- **Transparency International Indonesia (TII) plays a role in encouraging the society on corruption-free forestry governance and sustainable management - to increase economic development, eradicate poverty, and protect the environment.**
- **To achieve this goal, TII's Forest Governance Integrity program will monitor available anti-corruption means to create the best improvements as well as overall good governance in the forestry sector.**

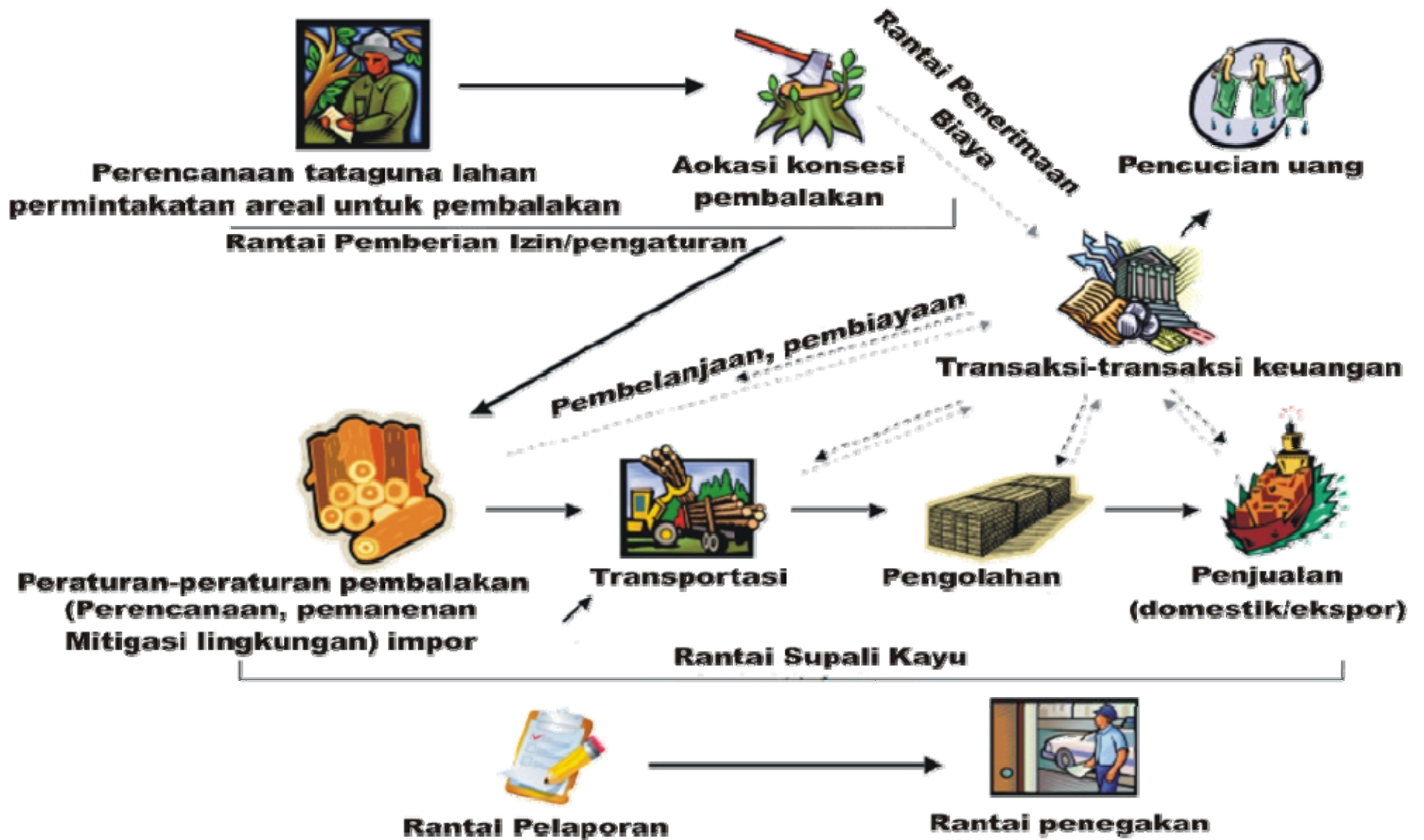
# Primary Framework



# Phased Actions

1. Prevention of corruption practices
2. Mitigation of corruption practices
3. Rapid responses against corruption impacts
4. Share roles and suffering towards corruption impacts

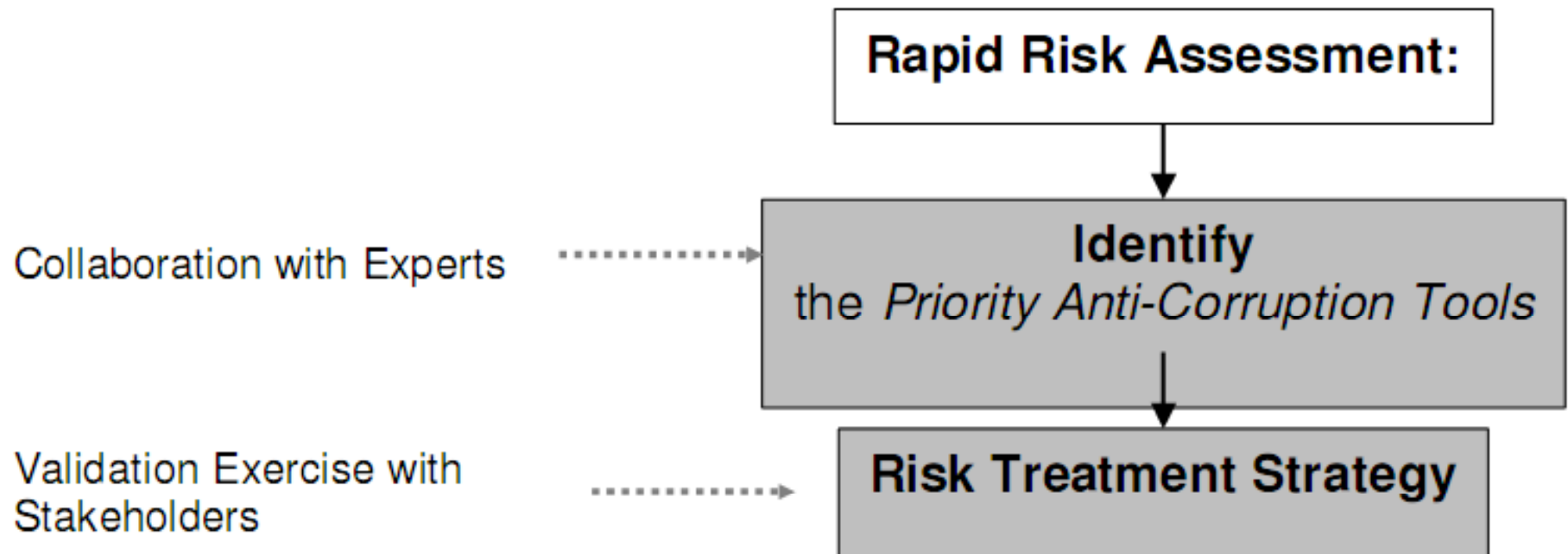
Figure 2. Overview of forestry sector



# Consultative steps through FGDs and Workshops

1. Formulate objectives and focus of anti-corruption instruments
2. Identify priorities for anti-corruption instruments
3. Identify monitoring indicators
4. Identify gaps in legislation **and authority/power norms**
5. Identify implementation gaps

# 1. Formulate objectives and focus of anti-corruption instruments



Hipotetical example:  
focus of release of forest area in Aceh

- Actors: Bupati, Office of Forestry, Office of Plantation, Business People, Technical Implementation Unit of the Ministry of Forestry (BPKH, BP2HP), Directorates administering partial area changes at the the Directorate General of Forestry Planning of the Ministry of Forestry, IPK License Holders, NGOs, Communities
- Study authorities, SOP, code of ethics, rights and obligations, customary rules, and primary tasks and functions of all entities
- Links: rights over area, licenses, cash, supply of wood, and legal-bureaucracy links
- Corruption impacts: governance\*\*\*, environment \*\*\*
- Formulation of anti-corruption objectives:
  1. Mitigation of release cases taking place already
  2. Prevention of future non-procedural releases

## 2. Identify priorities for anti-corruption instruments

- Space Planning
- Compliance with space plan
- Regulations on forestry area release and their implementation in the field
- Regulations on IPK license and their implementation in the field
- Primary tasks and functions of entities involved in release of forestry area and their compliance with these items
- Regulations concerning fees for releasing area, plantation licenses, and IPK.
- Provisions concerning forestry protection (Act No. 41 and Govt. Reg. No. 45) and their implementation in the field
- Provisions concerning public information disclosure and their implementation

### 3. Identify monitoring indicators

- Compliance with space plan
- Compliance with procedures for forestry area release
- Compliance with procedures for plantation and IPK licenses
- Degree of [absence of] illegal levies
- *Criminal element in destroying forest*
- Degree of public information disclosure

## 4. Identify gaps in legislation and authority/power norms

- Regulatory gaps between partial area change and change in space plan
- Gaps between sanctions in Act No. 26/2007, Act No. 41/99, Govt. Reg. No. 45/2004, Govt. Reg. No. 26/2008 on one side and sanctions in Criminal Code and Anti-Corruption Act on the opposite side
- Gaps in judicial processes: state governance/administration, criminal, corruption, civil in cases of forestry area release

# Identify implementation gaps

- Who manages corruption monitoring?
- Who is actively monitoring corruption in the forestry sector in Aceh?
- Who is capable of doing mitigation against:
  - Non-compliance with space plan
  - Non-compliance with procedures for forestry area release
  - Non-compliance with procedures for plantation and IPK licenses
  - Illegal levies
  - *No criminal sanction is carried out for forest destruction*
  - Is there a problem with public information disclosure in forest area release in NAD?

# Anti-Corruption Chain

1. Chain of Rights over Area (customary rights, public rights, private/concession rights)
2. Chain of Licenses (pre-issuance through post-issuance)
3. Chain of management activities (investment, socio-economics, rehabilitation)
4. Chain of rights over forest product utilization (supply chain)
5. Chain of legal and bureaucracy (supervision, law enforcement, cross-sectoral cross-areal cooperation, standardization and certification)
6. Chain of funds (financing, income, levies, money laundering)
7. Chain of information (access to information, reporting, promotion & communication)

# Finally...

- How about the follow-ups of the monitoring of forestry sector corruption practices in Aceh?

# Thank you



Asia Pasific- Forestry Governance Integrity Programme

[www.ti.or.id](http://www.ti.or.id)/[www.transparency.org](http://www.transparency.org)

