

MINUTES of MEETING
Government – PHKA, Stakeholders & The Nature Conservancy (TNC) Indonesia
in KSDA office, Bali on JULY 17, 2002

Opening by J. Soebijanto:

He explained some key matters regarding to Komodo National Park, including:

- The status of Komodo National Park (KNP) and World Heritage Area as not only an asset of Indonesia, Flores, and Manggarai, but also of global importance, as it harbours a unique terrestrial species, the Komodo dragon, and its waters contain exceptionally high marine bio-diversity as well.
- The background of the National Park and its particulars (size, biodiversity) and threats to the area.
- KNP Authority's management strategy to abate the threats (incl. the government's lack of funding, hence the collaboration with other organizations was crucial for improved management of the Park).
- One of the major sustainable strategies of the Park is eco-tourism development within the strict management guidelines of the 25-year KNP Management Plan. Therefore, a professional and collaborative eco-tourism concession is needed, and this is a new approach in Indonesia.
- Major benefits of this approach include: a financially self-sufficient park, improved capability to protect and manage the Park, improved Park conditions and infrastructure, and bigger opportunities for community development projects which are environmentally sound.

Question from John Syukur:

- TNC is a non-profit organization, but it will have a share in the company, which means it will take some profit. Who can assure that the profit that TNC takes will be used for conservation efforts, and who will watch over the implementation?
- TNC has had prior experience with such types of collaborative management in Bolivia, so there is an example of collaborative management actively run by TNC. (international/worldwide). Therefore, there is a possibility that the profits collected from co-management in Komodo will be used for other projects in other countries. Considering that there are many poor families in Komodo, the profit from Komodo should be used for Komodo.
- Considering that the Manggarai Regency is in the process of becoming two separate regencies and the discussion about the operations of the co-management proposed by TNC is also in progress, it is expected that the discussion about the obligations and rights of local government will be suspended until the new regency is formed. It is essential to avoid the difficulty of the new regency renegotiating the new agreement (with KNP authority and TNC) in the future.

Question from an unidentified participant:

- Asked for further explanation about co-management, referring to a previous stakeholder meeting, wherein there were still discussions on many disagreements.

Question from Peter Paka:

- There is a concern from the community that TNC will become a for-profit company (PNK) and then who will continue with TNC's recent activities?
- There is a concern from the community that the many interests involved with co-management may corrupt the process - i.e. government staff has asked for early pension in order to instead work for TNC, and children of upper level government staff work for TNC.
- There is concern and fear from the local community that, with collaborative management, all decisions will be made by only one institution (PNK).

Answer from Widodo Ramon:

- Gave further explanations about the background of the Forestry Dept.'s role in KNP and why it has agreed with co-management as proposed by TNC - i.e.: government lack of funds in managing national parks is severe and this has resulted in no or poor park management. As a result, many parks are already destroyed. This needs to be avoided with KNP.
- Explained the value of existing efforts by TNC that empowered the local community, and the need to have a sustainable financing system to manage KNP and other parks in Indonesia.
- Assured that the profit will be used only for Komodo, as stated in the management plan, and that any profits will definitely not be used for other country.
- The input about the new regency share will be forwarded to the Central Government and will then be referred back to the existing constituency.
- Shared his experience with other national parks outside Indonesia, including the strategy often implemented in national parks that all tourists should use local guides. Such a regulation is expected for KNP as well and this can be implemented under the collaborative management framework.
- Clarified that a local guide actually has 3 essential functions:
 1. as the community's representative of the National Park.
 2. as the guide who leads environmentally sound tourism activities and interprets the nature. and
 3. as the guardian of the Park to ensure that the tourists will not break any of the park's rules.
- Gave examples of co-management in other national parks in Indonesia, i.e. 1) Taman Nasional Kayan Mentarang di Kalimantan Timur, 2) Taman Nasional Bunaken di Manado – Sulawesi Utara.
- He also explained that co-management is a process and does not happen instantly, e.g. in Bunaken, NRM held 49 official meetings, in addition there were literally hundreds of other unofficial meetings held over a 4 year period. This caused a lot of uncertainty and delays in the implementation of agreed management plans. Therefore, he suggested for KNP to not lose the opportunity to have co-management established in a relatively short time.
- Explained to Peter Paka that based on the Government Rule (PP) 18 tahun 1994 anybody can come and conduct business in KNP. However, the important thing is

whether this business operates within park management plans and according to park management regulations. Therefore, the management plan should be implemented.

- With regard to the concerns of the government staff asked for early pension in order to work for TNC, and children of upper level government staff working in TNC, he explained that everybody can work in whatever institutions/organizations based on his or her capability, professional interests and needs.

Answer from Ian Dutton:

- Explained that The Nature Conservancy – Indonesia Program has a strong commitment to conservation actions in Indonesia, not just “talk without action” (he gave example of Indonesian term of NATO [No Action Talk Only]), like some other organizations.
- Explained that TNC is a US based NON PROFIT organization. TNC-IP gets its money from donors in USA (85%), Australia, and other countries.
- Based on Indonesia’s law, TNC-IP is not allowed to raise funds and should allocate its funds straight to conservation actions in the country, and this is also stated in the MOU between the Government of Indonesia and TNC.
- Explained that the TNC mission is to conserve the bio-diversity of Indonesia, and explained that some conservation efforts have been done in Indonesia and Southeast Asia, but none of them with such comprehensive activities as in Komodo. Therefore, he hoped that the activities in Komodo could be replicated in other areas by TNC or other interested organisations. He also explained that all conservation organizations are still working together to search for a good model to be implemented.

Answer from Rili Djohani:

- Explained that one principle of TNC is to be non-political. Therefore, she urged that conservation actions within KNP will be on-going (depending on funds), regardless of who will be the Bupati/Major. The project should not have to wait for political issues, such as elections or new regencies.
- Explained TNC’s background to select a business approach for co-management:
 1. vision and mission to involve direct stakeholders
 2. The experiences of other national parks outside Indonesia that can be considered as case studies, which prove co-management to be more effective.
 3. Co-management will be more likely to get more revenue raised by the park itself, which can then be used to fund more programs in the Park (improved self-sufficiency), e.g.: enhancing the economic status of local communities, improving the infrastructure in the park, building the capacity of the staff and local community to manage the park. Realizing this will need a lot of funds. Hence, the profit of the company will be designed and allocated for conservation actions and such improvements.
 4. TNC cannot apply as an NGO or Yayasan because it is not allowed by Indonesian law.

Question from an unidentified participant:

- She asked about TNC's responsibility as a non-profit organization now involved with a for-profit enterprise (PT)
- She asked why the funds received from donors have to go through a company (PNK), and not the government.

Question from Michael Cortenbach:

How to change perceptions to get complete support? The question is not the goal or the money required for financing the conservation activities. However, the main concern is TNC's private sector partner. He admitted that this is an old debate, but how can the structure of the collaboration be changed to get the perceptions of the people to support the (collaborative) initiative?

Answer from Ian Dutton:

- The concession's requirements fall under the regulations of the Government of Indonesia; TNC cannot be a concession holder in its own right. Hence, it needs a local business partner under the government regulation. He acknowledges that whomever TNC chooses as a main partner would always be a problem for tourist operators. TNC believes its choice to pick the business partner was based on good business decisions.
- Explained that the most important thing is the conservation mission itself. He understands that the disagreements and negative perceptions may be raised due to bad experiences with KKN (Indonesian abbreviation for corruption, collusion, and nepotism). and stressed that this is the time to change that perception. He believes that co-management of KNP it is about the change of its basic structure. Therefore, it will need a lot of broad-based support for the (co-management) initiative
- Explained the importance of transparency within the proposed system:
 1. Through the company, TNC has 60% of the concession's shares. This is needed to ensure that TNC can be sure that the implementation of the eco-tourism concession is done within the strict management plan regulations.
 2. TNC should report all implementation activities 3 times in a year. These reports will be published to all stakeholders so that they can watch how the concession is developed. In addition, the cash flow (profit) can be watched by stakeholders. This way there is total transparency and public access to this vital information and there will be no question about KKN by concerned stakeholders.
 3. Importantly, at any time, stakeholders can ask for spot audit via PHKA.
 4. In addition, an independent auditor will also scrutinize ALL financial aspects of the concession.
 5. He mentioned that he and others have already met with tour operators and explained several key benefit they will get from the concession:
 1. safer and improved tourism sites and activities.
 2. all operators will be treated equally and according to park management regulations, there will be no exclusive tourist operator and such concerns can be put to rest.

-

Question from Cody Shwaiko:

Lesson from Privatization of Leuser National Park: \$30 million were spent for concessions on that Park over 5 years. Six months prior to the end of the concession period, the program was terminated and the European Union, the funding agency, was frustrated that the project did not accomplish anything. How is (KCMI) different or better from Leuser NP? (He mentioned that he knew the budget in KNP for concession is lower, USD 16 million for 7 years).

Answer from Widodo Ramono:

- He explained that the Leuser National Park management agreement was based on an agreement between European Union and the Indonesian government. It is governed by (Financial Memorandum). Mr. Widodo believes there are some weaknesses in the financial memorandum. It has a completely different structure to KNP (in terms of audit, management, implementations, etc).
- He believes The Leuser NP has done a lot of work. The project is actually for a 7-year period (not 5), with another 2-year extension.
- He is not sure about the financing system and how much financing went into the area, but he believes this area is the one which has remained relatively intact and has the least damaged forest area when compared to other forests in Sumatra.
- The Leuser NP is also being scrutinized by both government and independent auditors and, to date, they can prove that they can manage the area.
- Presently, the government is looking into revising their authority to manage the area for 30 years, and looking into a co-management scheme as an alternative. The situation today is that Leuser NP is being managed by two directors – one each from Indonesia and the EU.
- Part of the problem is that the management was legalized by former president Suharto by Kep.Pres no 33 (Presidential Decree) just a few days before he stepped down. Overall, the Komodo Co-Management Initiative (KCMI) will be very different from the Leuser National Park agreement, because it will be governed by Government Regulations (Peraturan Pemerintah).

Answer from Jos Pet:

- Based on the field trip to Leuser NP for comparison study: the Leuser project was allowed to implement alternative livelihood programs and management around the Park's buffer zones, but they didn't have the mandate to implement the management of the Park itself. That is the key difference with the KCMI proposal.
- He asked Mr. Shwaiko's opinion of the state of Komodo's marine environment now. Is the condition different from others in Indonesia?

(The answer by Mr. Shwaiko is not audible on the audio tape used for this meeting report)

Question from Feri Adu:

- He claimed that he wasn't invited, but he came as the representative of the West Manggaraian movement secretary in Komodo and as a representative of local fishers. Therefore, he raised his concerns for the future of the local fishers.
- He re-stated his refusal to accept the collaborative management initiative in KNP, but he also stated his willingness to work together with TNC.
- He re-stated his concerns for TNC role in the business company (PT). He mentioned that there is no need to ask for funds from outside the country to manage the Park, but the management can ask locals, e.g. people in Indonesia or in Flores island.
- He also asked to have additional discussions on the issue with wider audiences, e.g. education institutions, university students, etc.
- He informed the group that there was going to be a meeting on July 22, 2002 in the soccer field in Labuan Bajo to discuss KCMI.
- He also invited Ian Dutton to come to sit down together with other Manggaraian NGOs.

Answer from Widodo Ramono:

- Explained that the real meaning of collaboration is “work together” or “gotong-royong” (Indonesian term).
- He suggested not to misread the term of “collaboration”, as if it is an act of espionage or being unpatriotic (by giving away national lands). This is not what the term is about. He emphasized that PHKA, as a department of the Government of Indonesia, acknowledges that collaboration of National Parks is legal and occurs.
- He also explained that a stakeholder meeting, like the one organized today, is one of the discussions mentioned by Feri Adu.

Suggestions from Putra Sastrawan of Udayana University:

- He suggested that the government should apply more strict rules to watch the implementation of the concession in order to avoid more destruction in the Park. This concern was based on his observations of the concession development in Bali Barat National Park.
- He requested to be invited to all stakeholder meetings in the future because he considers himself also a stakeholder of KNP.

Question from an unidentified participant:

- From the last meeting he anticipated that the pros and cons about (KCMI) issues can be resolved or at least minimized. However, he now thinks the cause of the conflict is getting clearer and believes a lot of conflicts are due to misunderstandings.
- The issue is not the KCMI, but “let's get the common goal achieved”. What is the goal? He believes the main goal should be the sustainable economic benefit for the people in Komodo area.
- There is a lot of economic disparity among the people in the area. This disparity will lead people to destructive behavior, as has been the cases in many other (protected) areas.
- A lot of good conservation achievements were destroyed due to lack of information from all the parties involved (TNC, the National Park, PNK, etc.) especially about their

main target. Is the target just conservation of natural resources? Or is there any goal to improve the welfare of the people in sustainable way?

- Is this collaboration to be done with only one company (PT)? Is this open for the public? Was the partner chosen by tender or by appointment? Or a consortium? Why can't this be financed (by PHKA)?
- He asked for more transparency in the operational cost to manage the Park, so that the community and stakeholders can understand the activities performed. He asked TNC and KSDA to be more transparent in terms of information dissemination. Because, according to him, one cause of the suspicions raised about the initiative was a lack of information.
- Operating cost – how much has been spent on Komodo, and is it all effective?
- There is still a lot of disparity, such as economic benefit. If Komodo belongs to Indonesians and Manggaraians, then where is the economic benefit for people in the Komodo area and Indonesia? (Apologizes that he doesn't mean to lecture Widodo), but if the benefits are not felt by the people then there will be strong opposition.
- He asked when will the co-management be approved by government? There seems to be a lot of pressures for this initiative to happen soon.

Answer from Widodo Ramono:

- He explained the background and chronology of conditions in KNP since the 80's, and how foreign NGOs (WWF, TNC, Conservation International, Wildlife Conservation Society) came to KNP to provide for the government lack of funding and technical expertise to manage conservation areas in Indonesia.
- He answered that the right time for implementation of collaborative management was several years ago, but then the (economic and political) crisis began.
- He shared experiences of other national parks in Indonesia (Tanjung Puting and Wae Kambas) where unfortunately collaborative work means 'let's exploit the natural resources together' and has resulted in negative effects on these parks. Therefore, he really hoped that such cases would not be repeated with the collaborative management of KNP.
- Widodo acknowledges the importance of economic benefit and together with everybody will formulate (a solution) to achieve this benefit.

Question from Rofino Kant:

- He asked about the basic government rules ("rules of the game") for collaborative management in the national park.
- Based on his own investigation, he found that there is a strong commitment from the initiative to empower and develop the local community. Therefore, he asked how to bridge the communication gap between the government and community to disseminate this information, so that the strong commitment and trust from the community can be achieved?

Question from an unidentified participant:

- He had doubts on about “rules of the game” mentioned by Rofino. According to him the important thing is what the community wants. The government will just follow the community because, to him, the recent community conditions in Komodo are divided. Some refuse and some accept and support the KCMI.
- He asked Widodo Ramono to give him a copy of the ‘Utilization zone’ rules.
- He asked TNC to assist in the field, but only where the government staff is incapable, e.g. to cope with the corruption problem within KNP staff, and TNC assistance with the management of financial matters.
- He also criticized Dwi, a reporter of the Bali Post, saying that her article in that newspaper was not correct. It mentioned that the local businesspersons never contribute to KNP.

Statement from Yulianus Judin:

- He claimed that he came as the Secretary General of West Manggaraian movement in Bali.
- He mentioned that there are 3 reasons to refuse the concession in KNP:
 1. the Manggaraian ancestors have been here for a long time and were the first ones to fight for Komodo so that KNP can accomplish its goals.
 2. there is no need to ask outsider help (NGO, or company) to sell their (Manggaraian) own belongings.
 3. there is no need for TNC to collaborate with other institutions/companies to ‘do the concession in KNP’.

Question from Wens:

- He suggested not continuing with the collaborative management initiative because (according to him) the local community already refused it due to its top-down approach, e.g. using regional regulations.
- He asked whether the community development program implemented by KNP park authority can abate the economic gap in the community, which is a source of conflict.

Answer from Pak Widodo:

- He suggested that this meeting should not be used to put blame on somebody, but to work out issues constructively instead.
- He explained that the official management of KNP will not be changed, and would remain in the hands of the Central Government based on the Constituency (Undang-undang) no.5 year 1990 about Biodiversity Conservation and its Ecosystem, Forestry Constituency (Undang-undang Kehutanan) no. 41 year 1999, and PP no. 25 year 2000. The permit to manage a concession in the Park is based on the Government rule (PP) no. 18 year 1994, but not in an exclusive way.
- He then gave examples of other national parks that have exclusive concession systems (including the Great Barrier Reef) and other exclusive (in management) areas, i.e. Batam. Furthermore, he explained that in Indonesia there is no such rule or law that would allow a company to manage a conservation area exclusively. That is no monopoly allowed.
- He proceeded to close the meeting.

