



Darwin Initiative
Annual Report

Conserving Reefs
Through
Community Ownership and Enterprise
In Bali, Indonesia

Reference # 162-14-056

Year 1

28 April 2006

Table of Contents

Annual Report

Logical Framework included: page 14-15

Attachments

- Attachment 1 A Collaboration Lembaga Pilang and LEAD Indonesia
- Attachment 1 B Collaborative Agreement on Integrated Activities for MAC - LEAD Indonesia Partnerships in Pejarakan, Sumber Kima and Penyabangan, Kabupaten Buleleng, Bali
- Attachment 2 Report on Socio-Economic Profile of Buleleng, Bali
- Attachment 3 Report on Ecological Assessment from Pejarakan, Sumber Kima and Penyabangan, Gerokgak sub-district, Buleleng, Bali prepared by MAC
- Attachment 4 Awareness, Discussion and Training Activities performed by MAC
- Attachment 5 Training Needs Analysis for Training of Trainers (Preliminary)
- Attachment 6 Scenarios for Policy Development on Marine Resource Management, Buleleng District, Bali
- Attachment 7 Monitoring Activities
- Attachment 8 A Certified Ornamental Fish Collectors
- Attachment 8 B Certified Ornamental Fish Exporters
- Attachment 8 C Explanation of Certification

Attached Hard Copies

- Annual Report with Attachments
- CD ROM with Annual Report with Attachments

Darwin Initiative

Annual Report

Darwin Project Information

Project Ref. Number	162-14-057
Project Title	Conserving Reefs through Community Ownership and Enterprise
Country(ies)	Indonesia
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Project Background

The project site is located in Buleleng District, Bali Province, Indonesia, on the coastline of the northern part of Bali. There are four villages in the district where the work of the project is concentrated: Sumber Kima, Pejarakan, Panyabangan and Pemuteran. The west part of these villages is adjacent to Bali Barat National Park. The area has been under the threat of unsustainable fishing practices since cyanide is widely used in the area. As one of the main ornamental fish resources for the export markets of the world, Buleleng District needs to shift the fishing practices toward environmentally fishing for sustainable living.

The need for this project is urgent because - despite the fact that Indonesia has some of the richest coral reef fish diversity in the world - irresponsible fish collection practices and poor coastal zone management are contributing to drastic declines in coral reefs and associated fish species. As it stands, parts of the buffer zone around Bali Barat National Park have been significantly damaged as a result of cyanide and dynamite fishing, and if these practices continue there is a real and imminent threat to the marine resources also in the National Park itself.

¹ "To reflect the increasing amount of work being undertaken outside the United Kingdom, LEAD (UK) changed its name on 13 September 2005 to LEAD International"

The project will provide target communities with a strong economic incentive supported by the necessary capacity and business skills to promote conservation through the sustainable use of fish stocks. After the project ends institutions will be in place to ensure the incentives and capacity for conservation remain and further develop. This will ensure the restoration and conservation of a crucial area for marine biodiversity, and ensuring economically and environmentally sustainable livelihoods for very poor fishing communities.

3. Project Purpose and Outputs

Project Purpose

The project's aim is to transform unsustainable fishing practices and the exploitation of live ornamental marine fish trade into sustainable use with enhanced fish populations, habitat protection, adoption of Marine Aquarium Council (MAC) standards by the local fishing community, and improved livelihoods for that community.

Outputs

By the end of the project (Year 3) 150 fishermen will have been trained and MAC certified; there will be a minimum of seven trainers trained through a Training of Trainers (TOT) programme who will disseminate their skills and support the community enterprise; a case study produced; and lessons learned disseminated to other coastal marine areas in Indonesia which have similar problems. Please see page 14-15 for logical framework (target versus achievement).

The main activities consist of: training fishermen in MAC standard; training trainers as resource persons who understand sustainable development; strengthening community enterprise towards sustainable business; and secure policy support by the local government.

The April 2005- March 2006 period marked the first year of the project. The only activity which is carried forward to the first part of the second year is the Training of Trainers (TOT) even which was originally planned to train trainers for using the Marine Aquarium Council (MAC) standards. As MAC has exceeded the plan by having already trained and certified 138 fishermen on MAC standard in the first year - which is almost the total quantity we hoped to achieve by the end of the entire project - we are preparing a TOT which addresses the broader issues related to the establishment of our community enterprise.

In light of the MAC trained and certified 138 fishermen, the TOT is considered to be more useful and beneficial for the community when it covers more than how to train fishermen on MAC standards, and it addresses issues such as understanding the macro picture of coastal marine issues, realising the importance of sustainable development, and getting motivated for 'green' business. A TOT with this broader scope can bring even further benefits to local people who play key roles in the reef's conservation. As a consequence our expectation is that trainers graduating from the TOT will be able to contribute to sustainable development efforts in the project area in addition to promote the use of MAC standards.

It has been requested and approved by the Darwin Secretariat that the TOT budget could be carried forward to the second year to organise the TOT event.

4. Progress

History

LEAD Indonesia is one of the key players in the Buleleng District in conserving marine resources as well as developing the ornamental fish enterprise toward sustainable business. The collaboration with other parties, including the Marine Aquarium Council (MAC), Reef Check (RF), Corporate Conservation Initiative Forum (CCIF), and Pilang (a local NGO), will ensure that all parties work in an integrated complimentary system to achieve the target. The collaborative management on the ground has resulted in more efficient and effective working.

Progress

All the necessary project start-up activities have been successfully completed: A Memorandum of Understanding (MOU) has been signed with various parties; a field office has been established, and the Field Coordinator has been hired. See **Attachment 1 A & B**. Joint research with MAC on the Socio-Economic Development of Buleleng District has produced some preliminary findings, and a research in partnership with Reef Check (under MAC supervision) on Ecological Carrying Capacity has resulted in an initial report. See **Attachment 2 & 3**. A community group has been established; and a community institution to manage marine resources use has also been assisted with developing its management system.

Training of fishermen to MAC standard has exceeded its target, with 138 local fishermen (fish collectors) certified by IMS (UK Official certification agency) and 5 fish exporters meeting MAC's standard for ornamental fish trading. See **Attachment 4, and 8 A,B,C**. The training needs analysis for the TOT has also been completed. See **Attachment 5**.

A workshop with key government officials and other stakeholders has led toward a commitment to work on the policy on marine resource management in partnership with the community. See **Attachment 6**.

The only target which was not achieved was organising a Training of Trainers on MAC's standards. The fact that MAC has provided the training and has succeeded in the process of certification of local fishermen and exporters indicates that the need is beyond increasing the capacity of trainers in MAC standard. The training needs analysis shows that the TOT activities need to cover a macro picture of marine resources issues and sustainable development, including understanding the importance of green business, the role of public policy advocacy and NGO management strengthening.

Difficulties and steps taken to overcome them

1. Recruitment of qualified local trainers

It was a challenge to recruit experienced and qualified local trainers. LEAD Indonesia did not want to recruit trainers coming from outside of the communities because we believe that it is important to invest into local trainers who will stay in the area and disseminate their knowledge and skills in a sustainable way. Instead of pursuing highly experienced non-local trainers, LEAD Indonesia identified potential future trainers from the local communities.

2. Challenges in the policy arena

A village meeting for local government and key stakeholders through a "Policy on Marine Resources Management" workshop has led to future commitment to develop a policy in coastal marine resources management, in a partnership between the local government agencies and the community. LEAD Indonesia anticipated that policy-development would not be easy in the next phase since it requires time from everyone involved to understand the issues, and to build capacities within the government agencies, and prevent or work around the conflict of interests among stakeholders (community, private sector, NGOs, and government). Cultivation of the right persons in all sectors, building trust, understanding, and developing confidence that a consensus for a common agenda is key required a lot of effort.

3. Field Coordinator

In anticipation of more responsibilities for the project work in the second and third year of the project, LEAD Indonesia has decided to recruit a more qualified Field Coordinator who has intensive experience in building a highly effective team of stakeholders, who is a proven manager, and can work independently under limited supervision.

Although this is the first year of the project, LEAD Indonesia has taken the initiative to adapt the project to local needs and thus increase the benefits of TOT so it covers more than training on MAC standards. LEAD Indonesia has also suggested that the policy issues should also be on the table since policy development can assist the local government and other stakeholders in using marine resource toward sustainable development. When there is no clear policy on marine resources management, there will be more conflicts and ineffective law enforcement to preserve marine resources use for long term benefits.

Timetable with Key Milestones in Project Activities in Year 2

Activities	Key Milestone	Timeline
<i>Develop Community Ownership and Sustainable Enterprise</i>		
Profiling ornamental fish business, training needs analysis of community enterprise	Developing a training program for community enterprise	May 06
Conducting training for community enterprise, to complement CCIF scheme & fit to community needs.	Community enterprise training program (basic and advanced) completed	June 06 (basic), August 06(advanced)
Identify potential markets for ornamental fish, and develop the business strategy.	Community Business Plan produced	Nov 06
<i>Socio Economic Research and Ecological Carrying Capacity Research</i>		
Socio Economic Profile: deepening	Report submitted	July 06
Ecological Carrying Capacity	Report submitted	Nov 06
Discussion and agreement on Collection Area Management for sustainable fishery with community and related parties	Sustainable Fishery on collection area implemented and certified	February 07 March 07
<i>Training: TOT on sustainable development, natural resources management, MAC standard, NGO strengthening, training on MAC standard to fishermen</i>		
Working with partners to identify TOT and the participants	Identified TOT and participants	April 06
Conduct training, produce documentary film (if possible) for training	TOT completed, documentary film produced	June 06
Training fishermen on MAC standard	Training MAC standard completed – min 75	Dec 06
<i>Policy on marine resources management</i>		
Develop the strategy for new decree	Strategy for policy development takes place	April 06
Cultivation with key decision makers	Commitment toward new decree from village & district level	Sept 06
Working with decision makers toward the draft – village level	First draft at village level formulated	Dec 06
Working with decision makers toward the draft – district level	First draft at district level	Feb 07

5. Actions taken in response to previous reviews (if applicable)

This is our first year report.

6. Partnerships

Collaboration between UK and host country partner

There has been regular communication between the UK and the host country partner. The UK expertise on capacity development strategies, approaches, tools, and identifying speakers and training resources has been tapped via substantive dialogues using e-mail, phone. More intensive face-to-face collaboration will take place in the second year during the Training of Trainers activities.

Collaborations with others

LEAD Indonesia has a collaborative MOU with Pilang, a local NGO in Buleleng District of Bali province, and other international organizations including: Marine Aquarium Council (US based organization), Reef Check (local organization affiliated with US organization), and Corporate Conservation Initiative Forum (US based organization). These organizations are all involved in biodiversity conservation of Buleleng area and would like to build the awareness and capacity about sustainable fisheries for the local community based on the environmentally friendly management of the coastal marine resources.

7. Impact and Sustainability

An exit strategy is being drafted to ensure sustainability including the following key indicators:

- The expertise of sustainable fishing practices stays within the community;
- There is a Policy in Coastal and Marine Management in place and it is a legally binding instrument to support sustainable development in the village/district;
- The collection area management plan is implemented properly, i.e. it ensures the collection practices follow sustainable fishing guidelines and ensure the recruitment of endemic species with increasing biodiversity
- The business community becomes “green business” oriented;
- The partnership between the community and the local authorities to conserve the area plays a substantial role;
- The resource persons who gained understanding through the TOT process and other trainings in participatory approach for public consultation and multistakeholder processes, as well as the sustainable development paradigm disseminate their knowledge, and ensure a more democratic approach that respect equality;

8. Outputs, Outcomes and Dissemination

Table 1. Project Outputs (According to Standard Output Measures)

Code No.	Description	Year 1 Total	Year 2 Total	Year 3 Total	Year 4 Total	TOTAL
6A	Local (Balinese / Indonesian) fishermen were trained on MAC standard	137				
6B	Training week (MAC)	2				
6A	Fish export companies trained on MAC standard	5				
6B	Training week (MAC)	1				
6A	Local decision makers participating in policy making workshop	15				
6B	Training week	1				
9	Reports on (10 Socio Economic Profile of Buleleng District & (2) Ecological Assessment	2				
15A	Press release of the graduated fishermen in Bali Post	1				

Additional output:

- Additional outputs achieved: 138 ornamental fishermen certified by IMS (UK organization to issue certificate) and 5 ornamental fish exporters which includes MAC training on the environmental standard for collecting - and treating fish after collection activities, and exporting ornamental fish.
- Other training performed by LEAD Indonesia and MAC in various themes related to sustainable fishery and marine resource management.
- Policy development strategy (draft 1) has been formulated.

We postponed the Training of Trainers (TOT) workshop from Year 1 to Year 2 due to the relevant exceeded achievements and new needs: MAC has worked more on the training for ornamental fishermen to meet MAC standard in sustainable fishing than planned and ever expected. The MAC training has even lead to the certification of participants.

Furthermore, our training needs analysis indicates that the TOT is expected to address more than MAC standards. As a result we are in the process of preparing a TOT which will qualify its participants (local people from various sectors) to support the establishment of the community enterprise. The TOT will be conducted in the fiscal year of 2006/7.

This is the first year of the project when dissemination is not a target yet (dissemination should be in the third, the last year of the project).

Table 2: Publications

Type *	Detail	Publishers	Available from	Cost £
(e.g. journals, manual, CDs)	(title, author, year)	(name, city)	(e.g. contact address, website)	
n/a*				

*No publications were produced in the first year.

9. .

10. Monitoring, Evaluation and Lessons

To ensure the commitment to work in a collaborative scheme among stakeholders, MOUs were signed by partner(s) who should be at the table. The MOU has been signed, and partners selected based on their performance and the rapport they shared with LEAD. Partnerships can work only when discussion and communication is conducted in intensive ways. Although it was not easy to work with various partners, LEAD still met the target of the first year project plan as shown below:

- As LEAD's Partner in training the fishermen MAC has been successful in proceeding to the certification of the trained fishermen, facilitated logistics for research on Socio-Economic Profile of Buleleng District, and offered joint funding for the workshop on the policy issues.
- The regular meetings and close partnership with Reef Check, under MAC supervision, has produced an Ecological Assessment report and brought inputs for policy strategy related to marine resource management.
- Pilang, local NGO, has been submitting a monthly report to LEAD and showed all the progress in relation to community involvement.

Several trips to the project site by the Executive Director of LEAD Indonesia were made to ensure that the project was on schedule as expected, and the problems encountered were tackled with an appropriate approach. See **Attachment 7**.

Lessons Learned

The project is a learning process which needs initiative and breakthrough when problems emerge. It is very important to be flexible and come up with different strategies as long as there are strong justifications as shown by the following:

- The TOT cannot be performed in the first year because the needs are higher than expected and the trainers should have different role from the original scenario. The right timing of the TOT is in the second year of the project where LEAD has more time to develop the right module and identify the most appropriate participants.
- With regard to policy issues, LEAD Indonesia started to work on the policy strategy development as the need has been identified and there should be immediate follow-up after the policy workshop is completed (otherwise, we will miss the momentum of commitment from the key decision makers). This is also the reason why we think that the second year of the project has to incorporate the follow-up on policy issues although it was not on the original plan.
- Field Coordinator: LEAD Indonesia will assign a new Field Coordinator who has more experience in building strong teamwork among stakeholders, who is a good manager and can work more independently with less supervision as the work for the following years are more demanding.

11. Outstanding achievements

The Marine Aquarium Council (MAC)'s performance exceeded our expectation. By training 138 fishermen in the first year alone (150 were planned by the end of the third year) MAC has accelerated our project's capacity development process which also resulted in the IMS certification of ornamental fish collectors and exporters which was not in our plan for the first year.

This outstanding achievement in both a quantitative and qualitative sense increases our opportunity to train and certify more fishermen by the end of the project, which would significantly contribute to the long term impact of our conservation intervention, i.e. setting up a socially and environmentally responsible community enterprise in order to conserve our coral reefs in Buleleng District, Indonesia.

■ **I agree for ECTF and the Darwin Secretariat to publish the content of this section**

In this section you have the chance to let us know about outstanding achievements of your project over the year that you consider worth highlighting to ECTF and the Darwin Secretariat. This could relate to achievements already mentioned in this report, on which you would like to expand further, or achievements that were in addition to the ones planned and deserve particular attention e.g. in terms of best practice. The idea is to use this section for various promotion and dissemination purposes, including e.g. publication in the Defra Annual Report, Darwin promotion material, or on the Darwin website. As we will not be able to ask projects on an individual basis for their consent to publish the content of this section, please note the above agreement clause.

Annex 1 Report of progress and achievements against Logical Framework for Financial Year: 2005/2006

Project summary	Measurable Indicators	Progress and Achievements April 2005-Mar 2006	Actions required/planned for next period
<p>Goal: To draw on expertise relevant to biodiversity from within the United Kingdom to work with local partners in countries rich in biodiversity but poor in resources to achieve</p> <ul style="list-style-type: none"> • The conservation of biological diversity, • The sustainable use of its components, and <p>The fair and equitable sharing of the benefits arising out of the utilisation of genetic resources</p>			
<p>Purpose</p> <p>Conservation of threatened marine biodiversity of Bali Barat National Park and neighbouring buffer zone, through a participatory approach of developing an integrated coastal management plan and establishing a sustainable fishery enterprise – based on MAC standards.</p>	<ol style="list-style-type: none"> 1. Fully MAC certified profitable live fish export enterprise in place. 2. Evidence of recovery of fish stocks and reefs within zone (measurable 5 yrs after project implementation) 3. Increased levels of public participation and more effective dialogue with local government in management of marine resources. 	<ol style="list-style-type: none"> 1. MAC documents, verifications and published accounts. 2.a) Baseline survey report (yr2) and subsequent annual survey reports b) Fish catch data 3. Records, minutes of village meetings illustrating public participation and dialogue. 	<ol style="list-style-type: none"> 1. The fishing communities are willing to give up the use of cyanide and explosives for harvesting fish, and adopt MAC practices / standards which require constant verification and documentation. 2. The shift from current fishing practices (often involving the use of cyanide and explosives) to MAC methods will result in a measurable increase in fish stocks in the district, as demonstrated in previous projects by WWF Indonesia. 3. Willingness on the part of all stakeholders including communities and representatives of government to engage in participation and dialogue.
<p>Outputs</p>			

Year 3 150 community members trained in techniques for sustainable fishery management	Year 1 expected output year 1: training fishermen on MAC standards commences.	Year 1 138 fishermen trained by MAC and certified as collectors. 5 companies trained by MAC and certified as exporters	Year 2 To reach the target of 150 fishermen trained by year 3, in year 2 there will be at least 12 fishermen trained and certified. It is expected that there will be more trained fishermen, exceeding the target by year 3.
Research: Ecological & resource stock data gathered & analysed	Year 1 Research on Ecological Carrying Capacity of the district initiated	Year 1 Report available on Ecological Assessment	Year 2 Ecological Carrying Capacity report as the basis for business plan.
Livelihoods of communities enhanced	Year 1 First Group of fishermen start to apply MAC standards.	Year 1 Kelompok Ikan Hias Laut Lestari in Pejarakan completed training (63 fishermen). Other villages in the district also trained and certified with the total number of certified fishermen 138. New fishermen group established in Panyabangan.	Year 2 Other community fishermen group established. There will be various trainings conducted to develop community enterprise (only for those who meet MAC standard), governance model established, draft of business plan produced.
Communities better able to engage in participatory dialogue with local government & other stakeholders	Year 1 Village meeting for local government & key stakeholders	Year 1 A workshop among key stakeholders & government officials held in November 2005	Year 2 At least one village meeting for local government and all key stakeholders takes place.
Dissemination of Project results and lessons learned	Not available since this is the first year of the project	Not available since this is the first year of the project	Only in Year 3

Note: Please do NOT expand rows to include activities since their completion and outcomes should be reported under the column on progress and achievements at output and purpose levels.