# **Developing Organizational Structure of Kesatuan Pengelolaan Hutan (KPH)** Limapuluh Kota District, West Sumatra, Indonesia, for Sustainable Forest Management<sup>1</sup>

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### **Abstract**

Government of Indonesia (GoI) has been reforming policy and beaureaucracy in forestry sector as mandated in law No 41/1999. Reform is supposed to achieve sustainable forest management through decentralization. The law also asks for involving people in planning, managing, benefit sharing, and controlling for forest management by acknowledging village customary (adat) law. Gol establishes Kesatuan Pengelolaan Hutan (KPH), an operational organization at district level. For a big and divers country, challenges in forest management in Indonesia are varies between district due to differences in culture, customs, economic activities and resources abundances of forest itself. Therefore, each district may have difference type of organizational structure of KPH to others. Now each district is developing its KPH that will be the bases for its future forest management.

This is a good case and chance for bringing village customary law, and combining with legal state law, into formal operational-forest regulation. We assist government of Limapuluh Kota district, West Sumatra in developing its KPH, which is able to manage forest in sustainable way, improve local livelihood and reduce conflict through absorbing aspiration of all stakeholders and including adat law. We did in-depth interview with adat leaders and head of villages within and surrounding the forest to learn their claim over forest. We also organized public consultation to absorb other stakeholders' aspiration. Based on the result of both interview and consultation, we structured the institution of KPH Limapuluh Kota. The organizational structure of KPH Limapuluh Kota will be submitted to local legislature for further inquiry before it is formally accepted and legalized. Hopefully, the KPH Limapuluh Kota could be formally installed in 2015, after follows next step of preparation.

Key words: Kesatuan Pengelolaan Hutan (KPH), sustainable forest management, adat law, West Sumatra, decentralization, organizational structure

# INTRODUCTION

Government of Indonesia (GoI) has been reforming policy and beaureaucracy in forestry sector as mandated in law No 41/1999. Reform is supposed to achieve sustainable forest management through decentralization. The law also asks for involving people in planning, managing, benefit sharing, and controlling for forest management by acknowledging village customary law. Gol also changes approach in forest management from timber-based to resources-based which requires balance managing between long term benefit of forest and short term benefit for local people

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who are living within and surrounding forest. Therefore, managing forest is a part of managing people and resources.

To materialize the decentralization and changing the approach in forest management, GoI establishes Kesatuan Pengelolaan Hutan (KPH) or forest management unit (*literal translation*), an operational organization at district level for forest management. For a big and divers country, challenges in forest management in Indonesia are varies between district due to differences in culture, customs, economic activities and resources abundances of forest itself (Moeliono & Dermawan, 2006). Therefore, each district may have difference type of organizational structure of KPH to others. The organizational structure mirrors the institution that regulates and operates forest management at lowest level.

Now each district is developing its KPH that will be the bases for its future forest management in Indonesia. So, each district needs to formulate agreement among stakeholders, especially local communities at village level, how forest will be managed and utilized both for its sustainability and for local livelihood. In addition, Indonesia also has been facing conflict in forest land ownerships. Most local communities claim that the forest land belong to *adat* while the national law puts forest as the state owned. This confusion leads to disharmony between the two in forest management that ultimately harm the sustainability of forest management.

This paper is based on the case in developing organizational structure of KPH Limapuluh Kota, a district in West Sumatra province of Indonesia. The Limapuluh Kota district belongs to Minangkabau ethnic, which follows matrilineal adat system that, of course, needs different institution for its KPH that congruence with its *adat*, economic development and forest itself.

This paper consists of five sections. First is the method how we work to assist district government in formulating institution of KPH. Second, to understand decentralization of forest management, it is necessary to understand wider political process of decentralization policy in Indonesia. Third, the dynamic of *adat* and *nagari* institution in West Sumatra, including Limapuluh Kota district, is necessary to explain for analyzing conflict between state and *adat* community over forest land and forest resources. Fourth section explores the ideas to reconcile between the two into a new operational institution for forest management at the field level through proposed organizational structure of KPH Limapuluh Kota. In the last section, we describe challenges, negotiations and needed-adjustments that might be taken for the next step in order to realize the application of the proposed-organizational structure for sustainable forest management.

### **METHOD**

We did in-depth interview with adat leaders and head of villages within and surrounding the forest, which has been plotted as the area of KPH Limapuluh Kota, to learn their claim over forest, adat institution on forest management. Interview was also carried out with forester and forest managers of Limapuluh Kota district to learn their ideas on forest management. There are 21 nagaris (villages) located within and surrounding forest KPH Limapuluh Kota forest. Three nagaris, Koto alam, Manggilang and Pangkalan, and two foresters were sampled in interviewing.

These field work findings were reconciled with national regulation regarding forest and forest management in purposes for both to absorb local communities' aspiration and to meet the national policy. Based on this work, institution for KPH Limapuluh Kota was drafted. Then, the drafted-institution was brought into public consultation for getting wider comment and inquiry from all stakeholders, including NGOs, local media, universities, business communities, etc. Result from both interview and consultation is analyzed qualitatively in order to structure the institution of KPH Limapuluh Kota.

### INDONESIA FOREST POLICY DYNAMISM

The dynamic of Indonesia's forest policy could not be separated from the dynamic of Indonesia's political and economic development and vice versa. This sector plays importance role in Indonesia's economy that attract wide attention from political side. The dynamic of Indonesian national policy directly affect the policy in forest management (Inoue, 1994; Wardojo & Masripatin, 2002).

Soon after Indonesia's independent, forest and forest resource was the main source of state income earning. The policy to earn form forest was supported by the Basic Forestry Law 1967 that mentioned "forest management is the activities to get either direct or indirect sustainable benefits of forest for the people livelihood" (*literal translation*). All of forest areas were under the central government ownerships that eases to exploit for earning foreign currency by cutting and selling raw log. In 1970s, Indonesia was the world biggest raw log exporter (Siscawati, 1999). While the beginning of 1980s, GoI encouraged plywood and wood-based industries operation to supply high demand of plywood in international market. Forest concessionary had introduced to attract investment (Inoue, 1994). Therefore, Indonesia was the world biggest plywood producer by the end of 1980s. Due to high pressure from international communities regarding Indonesia's forest destruction, in 1990s, GoI adopted natural forest protection principles including ratification conservation of living resources and their Ecosystems and the United Nations convention on Biodiversity.

In 1999, GoI issued forestry law no. 41/1999. The new law provides a wider scope for involving all stakeholders in forest management including local adat law (adat) (Pemerintah Republik Indonesia, 1999). Although it has been criticized that customary forest is still held as national forest estate under the control of the national forestry department (Li, 2002), the new law gives wider space for local people and local institutions in forest management. However, the law needs detail regulation how to involve local communities and others stakeholders. Ministry of Forestry (MoF) needed ten years to finalize government regulation on Kesatuan Pengelolaan Hutan (KPH). In 2010, MoF formally released government regulation on forestry planning that asks for KPH establishment.

# **KESATUAN PENGELOLAAN HUTAN (KPH)**

Gol acknowledge that the absence institution at the field level is the main reason for failure in forest management in Indonesia especially for state-owned forest. It led to conflict and miss incentive for sustainable forest management (Kartodihardjo *et al.*, 2011). Therefore, there is strongly needed organizational unit which work at field

level that carries out day to day operational work. The organizational unit is called Kesatuan Pengelolaan Hutan (KPH).

According to article 12 of forestry law 41/1999, KPH is the organizational unit that manages the forest at field level. The forestry law mandates that the Gol has to establish KPH for further forest management within the framework of decentralization and democratization of Indonesian politic. Developing KPH is the strategic approach in finding conflict resolution especially over claim of forest-land ownership between state and local communities all over archipelago. It eases access of local people into benefit that lead to more equity in forest benefit sharing. It will also be instrument to involve and empower local institution for forest management. The KPH is a management model that brings the management activities into the lowest field level by splitting the area into smallest possible so that it is manageable. The area of a KPH will be split into some resors that called Resort. The resort consists of some sub-resort. Then, the sub-resort will be split into some petaks, the smallest part of KPH area. Therefore, KPH would be a model for further Indonesian sustainable forest management.

Ministry of forestry decided the area of a KPH in recognizing efficiency and effectiveness in forest management based on watershed and/or ecoregion. KPH Limapuluh Kota is situated in Limapuluh Kota district that covers 125,987 hectars<sup>6</sup>, see Figure 1. Its potenciality in generating financial benefit from sustainable both timber and non-timber harvesting is high that might provide incentive for further investment.

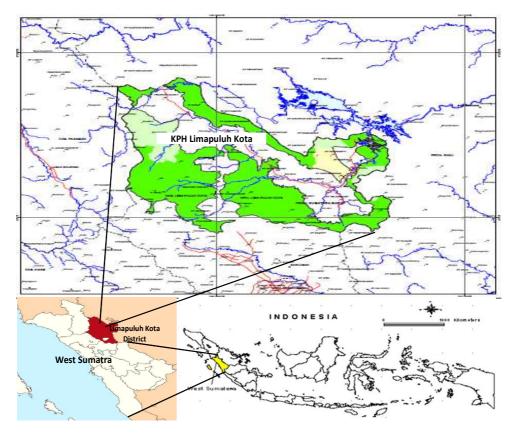


Figure 1. KPH Limapuluh Kota location

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<sup>&</sup>lt;sup>6</sup> It is formally mentioned in Surat Keputusan Menteri Kehutanan Nomor SK.798/Menhut-II/2009 7th Desember, 2009

# DYNAMICS OF ADAT AND NAGARI INSTITUTIONS OF LIMAPULUH KOTA DISTRICT

Minangkabau *adat* is the complex rules and principles which are dominated by the inter-linkages between social, political, and economic within nagari. A nagari is composed of several neighboring hamlets. Each hamlet represents a suku (clan) led by a Datuk. A suku is constituted unit within which inter-lineage inheritances of property (harato pusako) occurred and with handled disputes about property and matters of succession (Benda-Beckmann & Benda-Beckmann, 1985; Naim, 1984). Succession overtime resulted in bigger number suku members which consist into some lineages (kaum), each of which is led by a Mamak Barih who is selected from among the Mamak Rumah, the representatives of an extended family (paruik). The nagari has a democratic, autonomous, and informal structure, with the clan and hamlet leaders placed on top (Naim, 1984). Because nagaris are independent institutions, each nagari has its own rules and laws (Mahdi *et al.*, 2009).

This socio-political structure relates to complex land rights and ownership system that existed in a society based on matrilineal cultural background. In general, there are four main type of land status (Balzer et al., 1987; Yonariza, 1996). First, nagari's land (tanah ulayat nagari) refers to land that is controlled by nagari. All members of nagari have a right to access. Second, suku land (tanah ulayat suku) which can only be accessed by members of the clan and only they can withdraw benefit from the land. Third, lineage land (tanah ulayat kaum) refers to land that is collectively controlled by the lineage. In many publications, clan and lineage land are also called "high inherited land" (tanah pusako tinggi) because these lands are inherited through more than two generations from the ancestors. Fourth, private or individual land refers to the land owned by individuals or groups privately. Private land can be procured in two ways; first is to buy the land by an individual and second is to inherit from parents. Buying land is possible when a suku could not redemp its pawned land. The latter is also called "low inherited land" (tanah pusako rendah). However, in Limapuluh Kota district, there is no nagari's land. All land within the nagari is the aggregation of suku and kaum land.

Nagari as the political unity has been existing even long before Dutch colonial. It is also under influence of higher political power. Dutch colonial repeatedly intervened the traditional political organization of the nagaris that led to changes. The Dutch created head of nagari as the government representative whom responsible to implement the colonial socio and economic policy. The intervention continued after independent. In 1970s, Indonesian government homogenize the plurality of the law on its territory and consolidate centralist rule by imposing law on local government 1979 that putted Javanese model of village (desa) as the lowest level of government organization to all over archipelago. The law was effectively implemented in West Sumatra in 1983 as hamlets were changed to be desa. It means that the nagaris were splitted into several desas (Benda-Beckmann & Benda-Beckmann, 2001). Consequently, political role of datuks as the adat leaders was ceased. They were allowed to play their role on adat property only, sako and pusako, within the newly established nagari adat council (Kerapatan Adat Nagari/KAN).

After fell down of authoritarian Soeharto-regime, decentralization of regional government was implemented in Indonesia since 2000. In response to this policy, West Sumatra province has formulated provincial regulation to give legal basis for

restoring the nagari institution and replacing the desa. After long and heat debate, a provincial legislation (peraturan daerah/Perda) on return to nagari was accorded in 2000 and effectively implemented since 2001.

The main idea of return to nagari is to re-empower nagari as a political unity of Minangkabau by implementing adat law through formal regulation within nagari including for governance and management of natural resources. Restoration of the nagari is meant to reestablish and formalize adat rules on natural resource management, and to encourage wider participation. Datuks as the adat leaders are now trying to reinstall their authority over forest land management, which had previously been weakened by handing over nagaris' ownership and land utilization rights to individuals and groups. Some nagaris have written and formalized their adat law (Mahdi, 2008; Yonariza & Shivakoti, 2008a, , 2008b).

Although nagari as the political unit has been changed overtime, the adat on land ownerships relatively stable. Adat land rights and ownership system, consequently, conflict againts state claim over forest land. Indonesia's forest law separates forest land into four categories; protected forest, limited production forest, production forest and other purposes of area. The law acknowledges only the last category belongs and manages by local people, while the others is state-owned forest. The adat leaders do not accept the claim of the state over their adat land. This conflict has exist since long period of time. It is becoming exacerbate after return to nagari as adat leaders would like to retain their power over natural resources.

### LIVELIHOOD AND POPULATION OF LIMAPULUH KOTA

Beside socio and political changes, economic and population growth are also the factors which contribute to conflict over forest and forest land in Limapuluh Kota district. The location of KPH Limapuluh Kota is divided by main road that connecting two main economic growth centers, Padang in West Sumatera and Pekanbaru in Riau province. Therefore, economic activities here strongly connect with both growth centers and even international economy as both cities have international port. So, the livelihood of people in the nagaris within and surrounding KPH Limapuluh Kota depend mostly on agriculture especially export commodities. The main producedcommodities here are Gambier, paddy, and rubber. High price of gambier at international market, for example, attracts people to clear up forest for gambier smallholdings. During last decade, gambier and rubber smallholdings area expanse dramatically in this area, 2 % annually (Badan Pusat Statistik Kabupaten Limapuluh Kota, 2011). In addition, during last decade, state-owned and private enterprises have been opened oil palm and rubber plantation that another source of pressure on forest land. This trend negatively effects forest cover, even in protected and production forest. Forest cover has also dramatically declined.

Pressure on forest resources is exacerbates due to high population growth in the nagari within and surrounding KPH Limapuluh Kota. Population of Kecamatan (subdistrict) Pangkalan Koto Baru and Kapur IX grows 1.06% annually for last three years (Badan Pusat Statistik Kabupaten Limapuluh Kota, 2011).

### WHAT TYPE OF NEW INSTITUTION FOR FOREST MANAGEMENT?

The new institution for future forest management in Limapuluh Kota district should reconcile between the Indonesian national forest policy purposes and the needs of local people and adat communities within the context of decentralization and democratization. There are two main purposes of forest management in national forest policy. First is to achieve sustainable forest management especially in both maintaining the healthiness of and rehabilitating state-owned forest. Second purpose is to earn financial benefit from managing forest. In the middle term, KPH is hopefully being a financial independent by getting benefit from forest resources. In long term, central government would like to see KPH contributes into district revenues. In this case, KPH will be not only a public agency but also an enterprise organization.

Furthermore, the ministry of domestic affair issued decree no 61/2010 on the guidelines for KPH organizational structure that mandates KPH organization should be a public organization under district government office. Its staff's status is civil servant.

On the other hand, KPH Limapuluh Kota has to accept adat communities in the nagari within and surrounding its operational areas. As mentioned above, adat communities struggle to retain their right and ownership claim over forest land and forest resources. In the context of adat ownership, claim over forest land within their respective nagari is not only for short term benefit but also for the symbol of their suku existence. In addition, livelihood of the people is mostly depends on forest land. Local people need secure ownership for their livelihood enhancement. From local community perspectives, getting short term financial benefit from forest is likely dominant. From the perspective adat leaders, acknowledging their right over forest would be reinstall their political power within nagari.

To reconcile between state and adat rule, therefore, the new institution of KPH Limapuluh Kota should be a mutual adjustment between state and adat rules.

# PROPOSED ORGANIZATIONAL STRUCTURE OF KPH LIMAPULUH KOTA

Result from interviewing adat leaders and head of nagaris indicates that they would like to reinstall adat law in managing forest resources especially for regain their internal political power and for livelihood enhancement of their respective people. So, adat leaders have to be involve both indecision making process and in operational management. On the other hand the purposes of national policy in forest management also should be the main agenda of the new institution. After dialogued in public consultation forum we come with the organizational structure of KPH Limapuluh Kota as shown in figure 2.

This proposed organizational structure of KPH consist decision making body and operational organization. The decision body is the board of KPH that is represented both government and adat leaders. Its members are the datuks or adat leaders and head of nagari representatives, and related district government office representatives. The board of KPH works for decision making, especially in

accepting/rejecting annual working plan of the KPH chairman, and controlling the working of operational organization.

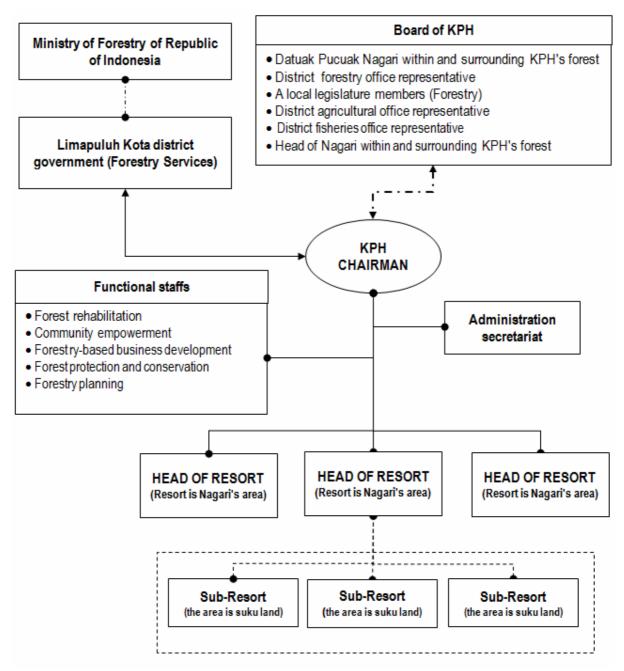


Figure 2. Proposed Organization Structure of KPH Limapuluh Kota that has been accepted in public consultation

The operational organization is led by KPH chairman. In doing its responsibilities, the chairman assist by functional staffs, which work based on their technical expertise, and administration secretariat. To assist in field working, the chairman will be support by the head of resort and the head of sub-resort. KPH chairman, functional staffs, administration staff as well as head of resort are the civil servant in status, while sub-resort is not. Instead the head of sub-resort is also the datuk who will manage his owned suku land. Sub-resort area is also the land that belongs to a suku that leads by a certain datuk. Datuk, in this case, will be automatically part of operational

management. This is means reconciliation between state and adat authorities in forest management.

Beside responsible to the board, KPH Chairman is also responsible to Ministry of Forestry through district forestry office. It is proposed that KPH chairman has to submit its annual report to Ministry of Forestry. Its annual plan also has to be approved by district forestry offices.

Representation of local communities is seen both in decision making body and in operational day to day management activities. Representation in decision making body is mirrored from seats for datuk and head of nagari in board of KPH. In operational management, the representation of local communities is directly in giving the head of sub-resort to datuak within the nagari. Nagari is proposed to be a resort of KPH and suku land is sub-resort.

As Ribot (1999 and 2005) clarifies that both accountable and responsive representative are the basic for sustainable and strong decentralized institution in natural resources management. Representation of both local communities and government in proposed organizational structure of KPH Limapuluh Kota might be accountable and responsive from adat perspectives. Accountability is developed from election mechanism for datuks and head of nagaris to seat in board of KPH. A datuk, who does not perform well, for example, might not elect for the board member anymore. It is also high possibility of datuks be responsive to local needs in forest management because they are locals and well informed on their respective suku and kaum problems.

### THE NEXT STEPS

After getting acceptance from most stakeholders in public consultation, the proposed organizational structure of KPH has to follow three more steps before it is fully applied for managing forest. First step is further inquiry by local legislature. Local government has to submit to local parliament. Second, the accepted, or adjusted, organizational structures needs to its human resources. The present foresters and forest administrator could be moved to KPH with any necessary training and preparation. The last step, it is necessary to formulate long- and mid-term working plan for KPH. During these preparation steps, some adjustments may be taken that changes the proposed organizational structure of KPH Limapuluh Kota

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