

# Performance budgeting as a tool for achieving good forest governance: potentials and challenges<sup>1</sup>

Ahmad Dermawan<sup>2</sup>, Nugroho Adi Utomo<sup>3</sup>, Heru Komarudin<sup>4</sup>

## Abstract

Following the implementation of decentralization in Indonesia, the Government of Indonesia adopted performance budgeting to replace the traditional system of budgeting in government agencies at the various levels. Drawing on research undertaken in North Luwu District, South Sulawesi, the paper describes the district government's adoption of the performance budgeting system and assesses the potential and challenges for achieving good forest governance at the local level. While the system is good at delivering promises in terms of better bottom-up planning and budgeting processes, several areas need to be improved or approached in a different way, particularly in moving towards balancing economic development and forest conservation.

*Keywords: decentralization, performance budgeting, conservation, district government, and forest policy*

## Introduction

Since it was implemented in Indonesia in January 2001, regional autonomy has brought a number of challenges; many feel that regional autonomy has not only transferred authority and finances to the regions, but has also transferred corruption (e.g. Djogo and Syaf 2003; World Bank 2007). Nevertheless, initiatives supporting good governance are beginning to emerge; media coverage of both corruption cases and corruption eradication efforts has increased over the past two years.

Central government has undertaken various initiatives to improve state finance systems as part of the reform process and to help with the implementation of regional autonomy; it has passed laws on State Finances and on National Development Planning Systems. These two laws basically support a budgeting system known as 'performance budgeting', which bases budgeting processes on planned outputs and outcomes in order to attain effective and efficient public service.

At the global level, the success of performance-based budgeting is still a topic for debate among public finance experts. Some believe that it is one way of improving the quality of public service – something particularly important for regional governments in this era of autonomy. They believe it can curb inefficiency because budgeting specifically follows activity planning, unlike the block budgeting system whereby lump sums were provided to government agencies to spend in a less well

---

<sup>1</sup> Paper to be presented at 2008 IASC Conference on the theme 'Governing shared resources: connecting local experience to global challenges', Cheltenham, England, 14–18 July, 2008.

<sup>2</sup> Researcher with the Center for International Forestry Research (CIFOR), Bogor, Indonesia. Email: a.dermawan@cgiar.org

<sup>3</sup> Research Assistant with the Center for International Forestry Research (CIFOR), Bogor, Indonesia. Email: n.utomo@cgiar.org

<sup>4</sup> Research Officer with the Center for International Forestry Research (CIFOR), Bogor, Indonesia. Email: h.komarudin@cgiar.org

controlled manner. Nevertheless, many studies conclude that performance budgeting fails, partly because it is obstructed by policy makers who have ‘had it too good’ under the previous budgeting system (Alberta Finance 1998; Robinson and Brumby 2003).

This paper describes performance budgeting processes adopted by the District Forestry and Estate Crops Office in North Luwu District, South Sulawesi. It also discusses opportunities and challenges in the hope of providing a learning process for those involved with budgeting in other government offices, either in North Luwu or in other districts.

## North Luwu District forests in a nutshell

### *District forests and financial deficit*

Until 1999 North Luwu District was part of the larger district of Luwu. At the time it was established as a separate district, North Luwu covered an area of 14,000 km<sup>2</sup>, including c. 10,000 km<sup>2</sup> of state forests, and had a population of 430,000. In 2003 the district was split again, and the eastern part became a new district called East Luwu. North Luwu District was left with a population of around 280,000 and an area of 7,500 km<sup>2</sup>, of which c. 5,400 km<sup>2</sup> are state forestlands. After the division, North Luwu District had to adjust its spatial structure and, having ceded some 46% of its production forests to East Luwu, had to manage with a significant reduction in forest-generated revenue. Almost 63% of the total area of state forestlands in North Luwu are protection forest, with degraded lands constituting 12% of the total state forestlands. The relatively large area of forest that legally cannot be managed for timber-based commercial purposes poses challenges to the district government’s attempts to maximize revenues.

Due to the imbalance between revenues from forests and expenditures for forestry operations, the district forestry budget suffers a year-on-year deficit. Table 1 shows that North Luwu District Government suffered a deficit of c. Rp. 3.15 billion in 2005, Rp. 3.7 billion in 2006 and Rp. 3.8 billion in 2007. Although the forestry sector is not a source of significant income, the district government is committed to continue providing budgets for forestry programmes.

**Table 1. North Luwu District forestry income and expenditure**

<b>Year</b>	<b>Income (Rp. million)</b>	<b>Expenditure (Rp. million)</b>	<b>Income as a percentage of expenditure (%)</b>
2005	352	3,500	10.05
2006	373	4,060	9.18
2007	434	4,285	10.13

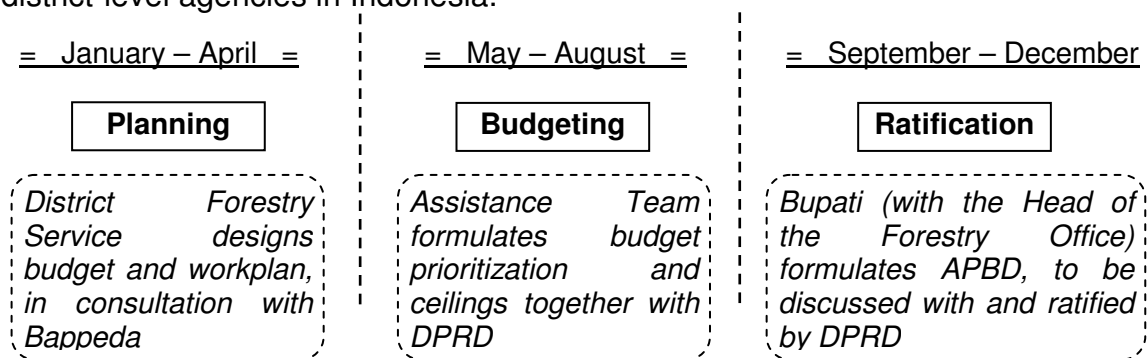
Source: Data extracted from North Luwu District budgets, 2005–2007 (North Luwu District Forestry and Estates Crop Office 2005, 2006; North Luwu District Government Office 2007)

## Performance budgeting process

In Indonesia, a performance approach to the District Budget (*Anggaran Pendapatan dan Belanja Daerah – APBD*) involves district government finance plans being deliberated and approved jointly by district government (*Pemerintah Daerah – Pemda*) and district legislative assembly (*Dewan Perwakilan Rakyat Daerah – DPRD*), and enforced by district regulations (*Peraturan Daerah – Perda*). The process is carried out through a budgeting system that prioritizes achievement of results or output from planned input allocation (Ministry of Finance 2002).

*District budget – preparation and implementation*

Figure 1 illustrates the planning and budgeting process within the District Forestry and Estate Crops Office in North Luwu, which is similar to the process in other district-level agencies in Indonesia.



**Figure 1. Scheme for District Budget development process during a financial year**

**Note:** *Bappeda* = District Development and Planning Agency; *DPRD* = District Legislative Assembly; *Bupati* = Head of District; *APBD* = District Budget

Performance-based budgeting begins by listening to community aspirations in Development Planning Deliberations (*Musyawarah Perencanaan Pembangunan – Musrenbang*). This is intended to be a participatory, bottom-up planning process that can identify community needs. Development Planning Deliberations are held at the village, subdistrict and district/municipal levels; at each level, they are conducted in such a way that all district government agencies meet with communities or their representatives in group discussions. On the one hand, it is easier to hold a few large meetings to reduce costs and time for both government and communities. On the other hand, the relatively short Development Planning Deliberation process produces fewer inputs to enable the government to start making plans.

Based on the outcomes of the Development Planning Deliberations, the District Forestry and Estate Crops Office drafts a proposal for activities that it plans to carry out in the following year. The Assistance Team from the District Development and Planning Agency (*Bappeda*) sifts through the proposal and approves activities for inclusion in a preliminary Budget Plan (*Rencana Anggaran Satuan Kerja – RASK*) and sets a budget ceiling. The Budget Plan is then discussed by another Assistance Team consisting of officials from several government offices, and the outcome of their deliberations emerges in the form of a Draft District Budget (*Rancangan APBD – RAPBD*). At this stage, some of the proposed activities in the Budget Plan might be rejected. The District Legislative Assembly then deliberates the Draft District Budget for approval and evaluation by the provincial government. Once the provincial

government has given its approval, the Draft District Budget is then adopted as a District Budget, which is then elaborated on and the result becomes a Budget Document (*Dokumen Anggaran Satuan Kerja – DASK*).

According to the 2005 budget plan, the District Forestry and Estate Crops Office has four strategic targets, such as improving the quality of human resources, reducing degraded lands, increasing production and income of forest and estate crops farmers, and improving delivery of public services. The document does not clearly say anything about the management of protected areas, despite the fact that forest areas account for 73% of the district's areas while protected forests account for 46% of the district's total areas. Also, according to Government Regulation 25 of 2000 the authority over management of protected forests lies within district government.<sup>5</sup>

Annex I presents the budget plan (RASK) and budget document (DASK) of the District Forestry and Estate Crops Office of North Luwu in 2005 and 2006. Many of the proposed activities in the RASK are approved in both years. For example, illegal logging is probably considered as an important problem to tackle in the district, so that the activity of controlling illegal logging was approved for both 2005 and 2006 and listed in the budget document in both years. While controlling illegal logging is not a poor program, however, it tends to be sporadic, in the sense that no other activity to create alternative income generation. Failing to do so could hinder the success of the activity since there has been no activity to create alternative income.

Annex 1 highlights that some activities ended in 2005 and did not continue in 2006. For example, development of rattan cultivation demo plots was carried out in 2005. The activity was proposed again for 2006 but it was not approved (the activity was listed in the budget plan but not listed in the budget document). According to the accountability report, the development of rattan cultivation demo plot was not successful because of the problem with procurement of rattan seedlings and the late disbursement of funds required to set up the demo plot.

Another example is the education and refresher courses for examiners/forestry civil servant investigators. While the accountability report indicates that the targets were accomplished, the activity did not continue in the following year. It is not clear whether the district parliament considered that the refresher course was not necessarily be expanded for additional staff member, or whether there were more important and pressing issues to handle than increasing staff's capacity.

### *District Budget – monitoring and evaluation*

The monitoring and evaluation of the District Budget is the responsibility of the District Legislative Assembly and District Supervisory Board (Bawasda). District Legislative Assembly supervision often takes the form of regular consultation with the government on District Budget implementation with respect to its set targets. The District Supervisory Board has a greater role in more detailed supervision and inspection of the management of district finances; however, being part of the district government, its evaluations are not always objective.

---

<sup>5</sup> The Government Regulation 25 of 2000 was replaced by Government Regulation 38 of 2007, which stipulates that district government only provides technical considerations (*pertimbangan teknis*) for licensing the management of protected forests.

In addition to these bodies, there are other oversight agencies that carry out audits after the budget for a particular year has been implemented. One of these agencies is the government's internal auditor, the Finance and Development Supervisory Board (*Badan Pengawasan Keuangan dan Pembangunan – BPKP*), which has the authority to supervise financial management carried out by government agencies at the national level. However, it is unclear whether the Finance and Development Supervisory Board has the authority to supervise all District Budgets or only regional finances relating to the use of central government funds in the regions. The other agency involved is the Supreme Audit Agency (*Badan Pemeriksa Keuangan – BPK*). Unlike the Finance and Development Supervisory Board, the Supreme Audit Agency functions as an external auditor for state organizations (including governments and parliaments at each level). Nevertheless, government agencies often complain about overlapping and financial supervision taking place more than once, and often taking up much of their time (Cahyat 2004).

#### *District Budget – accountability*

At the end of the year, the District Forestry and Estate Crops Office carries out a self-evaluation of its budget utilization and performance, in which the Head of the District prepares budget utilization report that takes the form of financial reports. The district government then integrates the financial reports from all the district government offices. The financial reports are audited by the Supreme Audit Agency. Meanwhile, the performance report summarizes the outputs and outcomes of each activity, and is submitted to the State Minister for Administrative Reform for evaluation. The district government integrates budget utilization and performance reports into a single report, the Accountability Report, and presents it to the District Legislative Assembly.

### **Discussion**

The process described above seems straightforward. In reality, however, there are certain complexities that may hinder the success of performance budgeting in improving service delivery.

*Have Development Planning Deliberations become the key source for soliciting inputs from communities?*

Aimed at accommodating community aspirations, Development Planning Deliberations emphasize the importance of bottom-up processes; community needs identified are then considered when the preliminary budget plan is prepared. The Development Planning Deliberations process appears better than government 'socialization' processes, which tend to be top-down and not necessarily in line with community aspirations. Suggestions emerging at community-level Development Planning Deliberations, however, tend to relate to physical infrastructure: renovating school buildings, sealing roads, repairing ricefield irrigation etc., while the forestry sector is generally unable to provide communities with clearly visible direct benefits. The problem further arises since most of forest areas in the district are categorized as protected forests, which is perceived as being outside the authority of District

Forestry and Estate Crops Office. Consequently, the District Forestry and Estate Crops Office frequently faces difficulties identifying community aspirations, and as a result its programme planning is less well orientated towards sustainable forest management.

North Luwu District Government has not received reliable, current data regarding its jurisdiction to support the planning process. The data are supposed to complement the inputs from Development Planning Deliberations, therefore the lack of data has become a problem for the District Forestry and Estate Crops Office, hindering efforts to formulate a worthwhile plan. For example, the Office put forward a proposal to develop an inoculation process for agarwood (*gaharu*), however it possessed no data on whether the species was available in the district, so it was not feasible to pursue the proposal (Ngakan Putu Oka, Personal Communication).

### *Obstacles in the budgeting process*

The budgeting processes make assumptions about the appropriate timeframes for each stage of the process. In reality, however, these deadlines are extremely difficult to meet. One reason for this is that transportation and communication means are limited, which slows the process. Another reason is that some government officials who are involved in the process could well spend all their time working on the budgeting processes, to the exclusion of all their other tasks.

Although the performance budgeting process is simple in principle, in reality few government staff have a clear understanding about how it actually works. This is due partly to the frequent revisions made to the regulations on the procedure for preparing a performance budget. From 2003 to 2007, for instance, the regulations were revised three times. As government staff at the District Forestry and Estate Crops Office became accustomed to a regulation, central government revised it. Another reason for the lack of understanding is that government and legislative staffs assigned to work on the process lack the basic knowledge and skills to implement the system.

One of the key aspects of performance budgeting is the performance indicator. Performance budgeting requires verifiable performance indicators in terms of outcomes and the amount of money spent to achieve them. Clear performance indicators would help government, parliament and communities to see exactly how successful development has been in the district. In this regard, staff from the District Forestry and Estate Crops Office admit that performance measurement has been the most difficult aspect of implementing performance budgeting. For example, Table 2 shows one of the target outcomes in the 2006 workplan: an increase of 25% in the knowledge of and skills in forest management of people living in or adjacent to the forest. While it might be argued that the 25% refers to the increase in the number of people attending the field school, it is still questionable in the sense that not all of the participants were able to benefit fully from the training received at the field school.

**Table 2. Example from North Luwu District Forestry and Estate Crops Office's 2006 Budget Document**

<b>Programme</b>	Improvement in the quality of human resources working in the forestry sector	
<b>Activity</b>	Field school for forest communities	
<b>Indicator</b>	<b>Performance Measure</b>	<b>Target</b>
Input	Amount of budget required	Rp. 77,923,500
Output	Field school for forest communities conducted	5 villages / 125 people
Outcome	Improvement in knowledge of and skills in forest management of people living in or adjacent to the forest	<b>25%</b>

Source: North Luwu District Forestry and Estate Crops Office 2006

Another problem with implementing performance-based budgeting in the forestry sector in North Luwu is the clash between activities being conducted over several fiscal periods and performance being evaluated each fiscal year. Often the District Forestry and Estate Crops Office cannot define outcome indicators for its activities or tailor them to real expectations. The District, as yet, does not have Minimum Standards of Service (*Standar Pelayanan Minimum – SPM*) or Cost Standards Analyses (*Analisis Standar Biaya – ASB*), and still has difficulties evaluating performance accurately, particularly in looking at the success or failure of an activity, so evaluations are usually subjective in nature (Staff member, District Forestry and Estate Crops Office, Personal Communication).

Further, the government's view is that since the forestry sector is not one of the sectors for which the government is obliged to provide services, there is no need to have Minimum Standards of Service for the sector. In principle, the services provided by the government should be directed towards improving the welfare of communities. Under the new system, the sector's performance should be evaluated, therefore, whether the provision of services to a sector is obligatory or optional, the government should provide the Minimum Standards of Service.

#### *Incentive and disincentive system*

Although performance budgeting has been implemented since 2002, only recently has the Government of Indonesia (GoI) issued relevant policies regarding reward and punishment. In early 2008, the GoI issued a regulation on guidelines for the evaluation of local government implementation. The regulation stipulates that regions that have performed well will be recognized by central government and that their names will be announced nationally. Similarly, regions that have performed poorly over a certain period could be merged with other regions. Central government would base its assessment on documentation, including the District Budget Accountability Report and Performance Accountability Report, complemented by a survey of community satisfaction and reports from independent evaluators, although the guidelines do not clearly provide sufficient details of how the evaluation is to be conducted. It is striking to see that local governments will also be assessed against the extent to which they have convened public consultations in policy-making processes, and used and allocated funds in a transparent manner. This will facilitate attempts to pursue the achievement of good governance.

However, some observers were pessimistic about whether the implementation of this regulation would be effective in providing incentives for better performance. They saw the regulation not as being directly linked to performance budgeting but more as a means for central government to control the extensive establishment of new regions following the establishment of regional autonomy. Also, the policies do not include evaluation of specific agencies within the government, e.g. there has been no reward and punishment scheme for the District Forestry and Estate Crops Office if it is successful or failed in meeting the targets.

None the less, performance budgeting could provide incentives for district government to support regional development and to create reward and punishment schemes. One of the positive outcomes of the implementation of performance budgeting is that North Luwu District Forestry and Estate Crops Office has become more careful when formulating work plans and their associated budgets. Being more careful and performance oriented could provide opportunities to move towards more accountable and better-performing government, something which is particularly important in places where government is the key actor in the development process.

One of the unexpected outcomes of the increasing effort to tackle corruption is that planners try to avoid planning activities that they think will not receive a good performance evaluation. Instead, they choose to play safe, even though those activities might not necessarily suit the wishes of communities as voiced in the Development Planning Deliberations. For that reason, it is essential to increase the capacity of the District Forestry and Estate Crops Office planning division to plan activities and performance-based budgets.

To encourage district governments to improve their performance, there should have been a strong linkage between performance budgeting and the way in which national forest revenues are allocated by central government to the districts. Unfortunately, there is lack of coordination among the sectors involved, and there are no mechanisms in place for rewarding those districts, such as North Luwu, with its deficit, that are attempting to maintain forests and biodiversity for their environmental service values. Providing them with a greater share of the funds or delegating more authority for forest management to local government are examples of rewards that could be promised.

## **Conclusions and implications for the management of protected areas**

The implementation of performance budgeting has provided opportunities and challenges for better service delivery for forests and forest-dependent people at the local level. First, performance budgeting began with an improved planning system by implementing a bottom-up mechanism, which is believed to be better than the former government 'socialization' process. This could potentially lead to increased participation by community members and help them articulate their priority needs. It is important to follow up the development planning deliberation process by involving community participation at all stages, not merely in the planning process.

Second, performance budgeting has helped parliament to make better judgements about and evaluations of the performance of the government programmes, and at



the same time has helped government inform parliament about its progress. To achieve this, better performance indicators have to be developed that are agreed upon by both government and parliament.

Third, by multi-year planning and budgeting, performance budgeting could provide opportunities to set milestones for programmes that have long-term goals. For example, with regard to forest protection, performance budgeting has real potential: by setting a clear ultimate goal for forest protection over a certain period of time, appropriate multi-year workplans and budgets can be developed.

Fourth, performance budgeting could provide incentive and disincentive mechanisms. Using performance budgeting, it would be possible to compare actual with planned milestones, as well as compare milestones with the inputs required to achieve them. It is important to follow up the results with reward and punishment schemes. In the case of North Luwu, central government should reward the district government, not only by announcing publicly that it is a district that has adopted accountable practices but also by providing it with a greater share of the budget for forest rehabilitation and protection. However, when a programme is not able to meet its target care must be taken in deciding whether to discontinue the programme or provide additional resources to ensure that the programme meets its targets. This would require that both planner and evaluator be better skilled.

Despite all these opportunities, the implementation of performance budgeting in Indonesia faces several challenges. At the national level, the GoI is still testing the effectiveness of this type of budgeting. Currently, the government is establishing performance budgeting in the Ministry of Health and Ministry of Transportation as pilot projects. It will take time, therefore, for the new budgeting system to be properly implemented throughout all the government agencies.

The implementation of performance budgeting requires better infrastructure. Implementation should be supported by reliable data on the region and on performance measurement, therefore the new budgeting system requires better skilled human resources, not only in terms of planning and execution but also to make sure that the process is completed in a timely manner.

For the provincial and central governments, it is important to simplify the process to save time and to speed up the review of the Draft District Budget before it is ratified by the local parliament. The transfer of funding that was intended to be allocated to districts under the fiscal balancing mechanism needs to be carried out in a timely manner, and assistance and capacity building need to be provided to members of governments and parliaments at the local level.

Performance budgeting can be an effective instrument for improved management of Indonesians forests for the common interest because it involves bottom-up planning and the involvement of key stakeholders (local communities and local government), has a clear reward and punishment structure, and allows for long-term planning. To realize this potential, however, more reliable data will be required, and there is a need for further experimentation and improvement of the implementation process and the involvement of the local communities in all stages of the process.

Within the context of management of protected areas, there are several issues that should be taken into account in implementing performance budgeting. First, there is a need to clarify where the authority over the management of protected forests lies. In the Government Regulation 25 of 2000, it laid at the district level. However, in Government Regulation 38 of 2007 that replaces Government Regulation 25 of 2000, the authority of district government is only to provide technical consideration (*pertimbangan teknis*) upon the issuance of the rights to manage the protected forests. The authority to issue permits to manage protection forest is at the central government. This would lead to more limited role that district government has on the management of protected forest.

Second, the government needs to make sure that the management of protected forest is put in the table during the Development Planning Deliberations. For example, district government could put forward the importance of the environmental services that are provided by forests and the need to make sure that these services are available continuously. If it is successful, the government could provide options during the Deliberations so that not only physical infrastructures which are on the list of important issues to be elaborated in the budget plan.

Third, there is a need to have more systematic set of output and outcome targets. For example, the program of curbing illegal logging should jointly be carried out together with the creation of alternative income generation for communities. Again, it is important to make sure that the outputs and outcomes are verifiable and measurable, and have clear milestones if the activity is to be implemented across several budget years.

Fourth, it is important to make sure that budget document is available for public to access and monitor its implementation. This would ensure that public know the programs and their achievements within a budget year or with respect to the targeted outcomes.

### **Acknowledgment and disclaimer**

The authors would like to thank the Australian Centre for International Agricultural Research (ACIAR) for providing financial support to enable the authors to participate in and share this paper at the conference. They are also indebted to Center for International Forestry Research (CIFOR) colleagues, particularly Dr. Moira Moeliono and Godwin Limberg, who provided critical inputs to the first draft of this paper. The authors are also grateful to Rosie Ounsted, who edited the final draft of the paper. The findings, interpretations and conclusions expressed in this paper are entirely those of the authors and do not necessarily represent the views of CIFOR and ACIAR.

### **References**

Alberta Finance. 1998. *Results Oriented Government: A Guide to Strategic Planning and Performance Measurement in the Alberta Government*. Alberta Finance, Alberta, Canada.

- Cahyat, A. 2004. Supervisory Systems for Implementation of District Governance – A Discussion of Legislation on Supervision. *Governance Brief No. 3*. Center for International Forestry Research (CIFOR), Bogor, Indonesia.
- North Luwu District Forestry and Estates Crop Office. 2005. District Forestry and Estates Crop Office Budget Document 2005. North Luwu District Government, South Sulawesi Province, Indonesia.
- North Luwu District Forestry and Estates Crop Office. 2006. District Forestry and Estates Crop Office Budget Document 2006. North Luwu District Government, South Sulawesi Province, Indonesia.
- North Luwu District Government Office. 2007. North Luwu District Government Budget 2007. North Luwu District Government, South Sulawesi Province, Indonesia.
- Djogo, T. and Syaf, R. 2003. Decentralization without accountability: Power and authority over local forest governance in Indonesia. *Tenth Workshop on Community-Based Management of Forestlands*. East-West Center, RECOFTC, Ford Foundation, Bangkok, Thailand.
- Ministry of Finance. 2002. *Regional Performance-Based Budgets* (Leaflet). Directorate General of Budgets and Fiscal Balancing, Department of Finance, Jakarta, Indonesia.
- Robinson, M. and Brumby, J. 2005. Does Performance Budgeting Work? An Analytical Review of the Empirical Literature. *IMF Working Paper WP/05/210*. International Monetary Fund, Washington, D.C.  
<http://www.imf.org/external/pubs/ft/wp/2005/wp05210.pdf>
- World Bank. 2007. *Fighting corruption in decentralized Indonesia: Case studies on handling local government corruption*. World Bank, Jakarta, Indonesia.

**Annex 1. A comparison of North Luwu District Forestry and Estate Crops Office programmes and activities listed in the Budget Plans and Budget Documents for 2005 and 2006**

<b>Programmes/Activities (2005)</b>		<b>Programmes/Activities (2006)</b>	
Budget Plan	Budget Document	Budget Plan	Budget Document
<b>Forest protection</b>		<b>Forest protection</b>	
Socialization and control of illegal logging	<i>Socialization and control of illegal logging</i>	Socialization of forestry legislation and control of illegal logging	<i>Socialization of forestry legislation and control of illegal logging</i>
Setting up rattan cultivation demo plots	Setting up rattan cultivation demo plots		
<b>Development of services to communities/enterprises</b>		<b>Services to the public</b>	
		Supervision and socialization of forestry and estate crops business permits	Supervision and socialization of forestry and estate crops business permits
Monitoring and evaluation of Forestry and Estate Crops Office activities in 2005 financial year (FY)	Monitoring and evaluation of Forestry and Estate Crops Office activities in 2005 FY	Monitoring and evaluation of Forestry and Estate Crops Office activities for 2006 FY	Monitoring and evaluation of Forestry and Estate Crops Office activities for 2006 FY
Preparation of forestry and estate crops sectors investment guidelines	Preparation of forestry and estate crops sectors investment guidelines	Preparation of forestry and estate crops sectors investment guidelines	
<b>Forest and land rehabilitation</b>		<b>Forest and land rehabilitation</b>	
Develop forestry seed orchard	Develop forestry seed orchard	Town greening	Town greening
		<i>Setting up rattan cultivation demo plots</i>	
<b>Increasing production and improving quality of estate crop yields</b>		<b>Improving quality of estate crop commodities</b>	
Upkeep of clone source buds, cacao and vanilla estates	Upkeep of clone source buds, cacao and vanilla estates	Assistance fund for estate crop agribusiness programme (Deconcentration)	Assistance fund for estate crop agribusiness programme (Deconcentration)
Socializing improving the quality of cacao crops	Socializing improving the quality of cacao crops	Socializing improving the quality of cacao crops	
Field school on management of	Field school on management of plant		

plant pest organisms	pest organisms		
Field school on cacao plant side grafting	Field school on cacao plant side grafting		
<b>Strengthening institutions and forestry and estate crops technologies</b>		<b>Forestry and estate crops technical development and innovation</b>	
Development of vanilla crops	Development of vanilla crops	Establish office nursery and village nursery	Establish office nursery and village nursery
Facilitation and strengthening farmer institutions	Facilitation and strengthening farmer institutions	Technical guidance on management of vascular-streak dieback (VSD) disease in cacao crops	Technical guidance on management of VSD disease in cacao crops
		Development of vanilla crops	
		Development of forestry seed orchard	
		<b>Empowerment and strengthening of farmer institutions</b>	
		Capacity building for farmer groups	Capacity building for farmer groups
		Facilitation for cacao farmer groups	Facilitation for cacao farmer groups
<b>Increase forestry and estate crops human resources capacity</b>		<b>Institutional capacity building for forestry and estate crops officers</b>	
Education and refresher courses for examiners/forestry civil servant investigators	Education and refresher courses for examiners/forestry civil servant investigators	Refresher courses for forestry police and civil service investigators	
Facilitation of field school (FS) – cacao pod borers (CPB) and development for FS – CPB graduate farmer groups	Facilitation of FS – cacao pod borers (CPB) and development for FS – CPB graduate farmer groups	<b>Capacity building for forestry and estate crops farmers</b>	
Field school on CPBs	Field school on CPBs	Field school – community forestry	Field school – community forestry
FS – development and institutional strengthening for coffee farmer groups	FS – development and institutional strengthening for coffee farmer groups	Farmer Field School (FFS) plantations/side grafting	FFS plantations/side grafting
FS – natural resources conservation	FS – natural resources conservation	FS – CPBs	
		FS – development and institutional	

		strengthening for coffee farmer groups	
		FS – CPB pest management showing a documentary film on cacao	
<b>Forestry and estate crops management consolidation</b>			
		Forestry and estates data validation	Forestry and estates data validation
		Inventarization for reconstruction of forest boundaries	Inventarization for reconstruction of forest boundaries
<b>Equipment</b>		<b>Equipment</b>	
Procurement of furniture and office equipment	Procurement of furniture and office equipment	Procurement of furniture, equipment for field officers and office equipment	Procurement of furniture, equipment for field officers and office equipment

Source: North Luwu District Forestry and Estate Crops Office Budget Plan & Budget Document 2005–2006 (North Luwu District Forestry and Estates Crop Office 2005, 2006)