

CEPF FINAL PROJECT COMPLETION REPORT

I. BASIC DATA

Organization Legal Name: **WWF Indonesia**

Project Title (as stated in the grant agreement): **Creation and Management of the Tesso Nilo Protected Area as a Centerpiece of Sumatra's Tesso Nilo Bukit/Tigapuluh Conservation Corridor**

Implementation Partners for this Project: **Ministry of Forestry, Riau Provincial Government, Pelalawan District Government, Indragiri Hulu District Government, Kuantan Singingi District Government, Kampar District Government, Jikalahari, Tesso Nilo Community Forum**

Project Dates (as stated in the grant agreement): **January 1, 2004 – June 30, 2007**

Date of Report (month/year): **September 2007**

II. OPENING REMARKS

Provide any opening remarks that may assist in the review of this report.

In accord with the project document, the CEPF funded project aims, in short term period, to provide successful zoning and management of Tesso Nilo as a conservation forest (TNCF) (whether as a national park or a conservation concession with or without expiring selective logging operations) through input from all relevant stakeholders from all levels of government, local communities, private sector, and NGOs.

Six outputs the project will achieve include

(1). Project has successfully carried out all possible efforts to encourage and support the declaration of Tesso Nilo as an official conservation management unit within 1 year.

This output has been achieved with the declaration of the Tesso Nilo National Park with the Decree of Forestry Ministry No. 255/Menhut-II/2004 dated 19 July 2004. Covering an area of 38,576 ha of former PT Dwi Marta concession, the National Park which was created to provide a safe haven for elephant turned out to be not large enough for conserving the elephant. Based on the fact, WWF Indonesia with its stakeholders surrounding the Tesso Nilo area attempted to expand the park to become at least 100,000 ha. Although support from local government has been obtained, up to now the park extension, which was supported by funding from WWF network, has not yet been achieved. But it is still in the process of establishment at the Forestry Ministry.

When the park extension is achieved, adequate resources are needed to effectively manage the park. This is in line with the original establishment of Tesso Nilo National Park. In general, the short-term program of management aims to solve a problem of encroachment, build canals as part of permanent human-elephant conflict mitigation, empower the local communities, and build infrastructures for management including facilities for Sumatran Elephant Conservation Center.

To provide effective management of Tesso Nilo National Park, WWF Indonesia in cooperation with the Directorate General of Forest Protection and Nature Conservation/Forestry Ministry set up a management plan of Tesso Nilo National Park through this project and it was used as an initial guideline in the management of the park. The management plan will need to be adjusted to the current condition, especially the Decree of Forestry Ministry concerning the establishment of Tesso Nilo National Park Authority that carries out the management of the park.

(2). Project has facilitated the establishment of a Joint Management Board for the new Tesso Nilo Conservation Forest within 1 year, and continued to facilitate the function of JMB.

This out put has been achieved through a couple of workshops of stakeholders in building the same perception and commitment to developing a collaborative management of Tesso Nilo National Park. The form of collaborative was agreed upon by all stakeholders to be in form of a Foundation which was then named as Yayasan Tesso Nilo officially established by the Forestry Minister and Riau Governor in Pekanbaru, 30 May 2006.

At present the foundation has been operating. The foundation was intended to channel funding for conservation works and develop sustainable community livelihoods in Tesso Nilo and its surrounding areas.

The establishment mechanism of foundation was in line with the development Tesso Nilo Trust Fund which was initiated by WWF Indonesia through this project. The success of Tesso Nilo Trust Fund has impacted positively on the foundation which serves as a collaborative management of Tesso Nilo National Park. A detailed progress of Tesso Nilo Trust Fund can be seen in out put 6 below.

(3). Project has carried out negotiations regarding boundaries of the new conservation management unit among stakeholders and has mapped the results within 2 years.

The project has successfully facilitated meetings for formation of Tesso Nilo National Park boundary team in both Pelalawan and Indragiri Hulu Districts. The project has made efforts to form a park boundary team in Indragiri Hulu, but the team was not yet officially establishment by the government. The agreement resulted from discussion on Tesso Nilo National Park map has determined the Tesso Nilo National Park that follows former PT Dwi Marta concession with the whole 91 km boundary. A 45.8 km boundary is a definitive boundary while the remaining boundary is a temporary boundary that should be further discussed as it turned out to be overlapping with community oil palm plantations and RAPP's paper pulp wood concession

(4). Project has facilitated the inclusion of a Tesso Nilo Conservation Forest Area and the protection of essential natural resources in Provincial and District land use plans, and has advocated a multi-stakeholder approach to spatial planning by all layers of government,

The land use change in Riau in the last decade has reached a scary level that has become concern by the project. Spatial advocacy efforts have been made by the project together with Jikalahari at provincial and district levels in relation with Tesso Nilo. The

engagement of Jikalahari in the spatial advocacy was intended to empower it in the campaign for the save of natural forests.

To intensify the Riau provincial government engagement in the Riau spatial planning, WWF has served a member of Coordination Body for Riau Spatial Planning for four years. An academical draft of Riau and other Tesso Nilo District spatial planning has been made to be used as inputs for revision of existing spatial planning.

From month to month there has been dynamic change in the draft Riau spatial planning, and there seen many interests ranging from forestry to plantation sectors. The December 2005's draft when compared with May 2007's draft showed a significant loss of protection forest. So, WWF set up a dialogue with a Spatial Planning Specific Team in Riau Parliament. Specifically, the team carried out spatial planning after the Riau Provincial Government had submitted the draft to the Riau Parliament for legal process. In the dialogue, WWF was asked to provide written inputs representing the community concern towards the draft spatial planning.

(5). Project has assisted Riau's JIKALAHARI NGO Network to become the driving advocacy force for the protection of the landscape's natural resources based on a professionally managed natural resource information center.

The establishment of Jikalahari (the Save Riau Forest NGO network) was also supported by funding from CEPF in 2002-2003. The Jikalahari personnel comprises of 29 different entities including NGOs and groups of students. The project put an emphasis on the empowerment of Jikalahari as an effective advocacy NGO having comprehensive data

Being an advocacy NGO, Jikalahari has developed a website which can be accessed at this address : www.jikalahari.org. To disseminate information of natural resources use and condition, bulletines have been developed and circulated on three monthly basis. A computer has been made available in the Jikalahari secretariat to be used by the personnel to access database owned by Jikalahari

Currently, Jikalahari has shown encouraging progress, even this NGO alliance has conducted their fund raising. However, to further develop their program, there is a still a need for this alliance to gain assistance from bigger conservation agencies and donors.

(6). The project has established a Tesso Nilo Conservation Forest Trust Fund to finance long-term professional management of the area.

To develop Tesso Nilo Conservation Trust Fund, the project was assisted by a team of WWF US and a lawyer and so was WWF Japan that has allocated funding for developing trust fund with emphasis as the following

- Establishment and legalization of Tesso Nilo Trust Fund in Indonesia and Off-shore. The project has succeeded in gaining trust fund based in Brunei

Darussalam and has positioned HMR Trust Ltd as Trustee for Tesso Nilo Conservation Trust. At present WWF is trying to build cooperation in the management of trust fund. An assessment has been carried out together with HSBC Singapore, and now it is in the process of negotiating the cooperation

- Operation of the Trust Fund Secretariat in Jakarta. A study has been conducted in the establishment of a foundation in Jakarta, which served as an administrative agency to manage trust fund. For this purpose, the project hired a consultant who would develop grant making mechanism Tesso Nilo Conservation Trust Fund. WWF will develop this mechanism based on the study

The activities, which were funded by CEPF, were focused on the development of trust fund agency including tools for trust fund management such as financial management plan, risk and risk mitigation analysis, operational manual, funding plan and calculation of endowment fund size, sustainable funding possibilities, and budgeting. In accordance with the trust fund, the Tesso Nilo National Park Foundation being the only local agency to be the beneficiary of the trust fund. So, this foundation will function as a financial agency for activities at field level. All the document of Tesso Nilo Conservation Trust Fund has been made available including the Tesso Nilo Foundation establishment.

The project was expected to end on 13 December 2005, but because of a delay in its implementation and considering that there was still fund in the end period of project, WWF Indonesia proposed a no cost project extension. So the project ended on 30 June 2007.

III. ACHIEVEMENT OF PROJECT PURPOSE
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Project Purpose: *Successful zoning and management of Tesso Nilo as a conservation forest (TNCF) (whether as a national park or a conservation concession with or without expiring selective logging operations) through input from all relevant stakeholders from all levels of government, local communities, private sector, and NGOs.*

Planned vs. Actual Performance

Indicator	Actual at Completion
Purpose-level:	

<p><i>Relevant authorities declare Tesso Nilo a unit managed for conservation of biodiversity within 1 year.</i></p>	<p>All stakeholders agreed that Tesso Nilo Forest block constitute an important area for biodiversity protection. Therefore, the Forestry Ministry as the conservation authority designated part of Tesso Nilo Forest block as a National Park, though the size was less than expected to become a National Park and to provide management of elephant conservation</p> <p>At present, attempts are being made to expand the park , and the process of its extension is still in the Forestry Ministry. The Riau Provincial Government agreed upon the Tesso Nilo National Park extension, even they established a team of combating land encroachment and park extension through a decree of Governor No. Kpts: 271.a/VII/2007 dated on 3 July 2007.</p>
<p><i>A Joint Management Board (JMB) consisting of the main stakeholder groups is established within 1 year and begins managing Tesso Nilo using sustainable forestry principles</i></p>	<p>As part of implementation of Forestry Ministry Regulations No. P.19/Menhut-II/2004 regarding collaborative management of Nature Reserve and Nature conservation areas, the collaborative management development in Tesso Nilo followed this Forestry Minister's mechanism.</p> <p>There are 17 agencies categorized as Tesso Nilo stakeholders. All agreed that there should be a collaborative management to help to manage Tesso Nilo National Park in the future. So on 3 June 2005 it was agreed upon that a foundation was established, which later was known as Yayasan Taman Nasional Tesso Nilo/Tesso Nilo Foundation. The idea of the foundation establishment was mainly based on building the same perception towards collaborative problem solving of Tesso Nilo.</p>
<p><i>JMB has successfully negotiated the boundaries of TNNP with all neighbors within 2 years</i></p>	<p>Tesso Nilo National Park was established from inactive concessions. The fact that there have been land encroachment to make way for oil palm plantation establishment by individual as well as cooperatives. This has led to the difficult park boundary demarcation</p> <p>The project facilitated meetings to form a park boundary team as conformed to forestry regulations. The park boundary team were in place and park boundary activities have been carried out. Of 91 km boundary, 45,8 km boundary activities have been completed. The boundary which was not yet agreed was that overlapping with other uses such as with RAPP/Paper and Pulp Company and KKPA/Oil palm and oil palm managed by cooperatives. However, the boundary map has been made available and agreed by the boundary team.</p>
<p><i>The Province of Riau and the districts of the TNBTP landscape have introduced land use policies and spatial plans that are accepted by all stakeholders and protect natural resources while accommodating sustainable development within 2 years. Provincial</i></p>	<p>Like in the park boundary demarcation, the Riau spatial planning was affected by many interests coming from different parties, especially the forestry sector/timber plantation and plantation</p>

<p><i>and districts support Tesso Nilo becoming a protected forest within 1 year</i></p>	<p>During the life span of the project, the project staff have taken position as member of Coordination Body of Riau Spatial Planning. Advocacy for spatial planning could therefore be easily conducted. In the last draft Riau Spatial Planning, the Tesso Nilo area was allocated as being a conservation area with the size approximately 100.000 ha. The same with the forest area that connects between Bukit Tigapuluh and Rimbang Baling or known as biological corridor was allocated to become protection area and water shed in the last draft.</p>
<p><i>The Riau NGO network JIKALAHARI has become the major conservation advocacy group based on a solid natural resource conservation information database within 2 years</i></p>	<p>Jikalahari is an NGO network in Riau, which is currently well known. The project has succeeded in facilitating Jikalahari in the establishment of the network as an advocacy agency focusing on the protection of natural forest in Riau.</p> <p>For purpose of advocacy at both national and international levels, a website has been developed. Jikalahari facilitated by the project has also developed database system of Riau natural resources</p> <p>At present the 29 Jikalahari personnel are able to use database that was already developed. In addition, Jikalahari has also attempted to become facilitator for other agency members in fund raising</p>
<p><i>TN Joint Management Authority can make long-term management decisions based on secured funding through Trust Fund</i></p>	<p>The project has succeeded in developing a trust fund concept for Tesso Nilo. Trust Fund management tools have also been prepared. Supported by WWF Japan funding, Tesso Nilo Conservation Trust Fund was placed in Brunei Darussalam, and a cooperation was built with HMR Trust Ltd that serve as a management based in Brunei.</p> <p>WWF is trying to build partnership with HSBC Singapore which is an agency to function as management trustee. Although some donors have been identified, fund raising were not carried out as the management trustee was not set up</p>

Describe the success of the project in terms of achieving its intended impact objective and performance indicators.

1. The declaration of Tesso Nilo National Park has been an important result of the project, meaning that the main target to establish a new conservation area for Sumatran Elephant has been achieved though the size was not enough for the elephant. The project has successfully built the same perception towards Tesso Nilo as an elephant conservation area among the district governments and communities living surrounding Tesso Nilo who were organized in Tesso Nilo Community Forum
2. The establishment of Tesso Nilo Foundation is an achievement in attempt to integrate the different interests among the central government, local government, private sector, community, NGOs, and universities to collaborative management of Tesso Nilo. Why the foundation was selected to be a collaborative management was based on the fact that the foundation was legitimate

3. Advocacy for spatial planning was a risk the project has faced as there were many conflicting interests in relation to land use. Setting up lobbying and advocacy with Riau Provincial Government has resulted in the inclusion of Tesso Nilo National Park and its extension area to the new Riau Spatial Planning. This will facilitate further development of Tesso Nilo and conflict resolution in the area.
4. An important result of the project has been a concept development of Tesso Nilo Conservation Trust Fund. A budget for Trust Fund management has been developed. The project will continue to seek other funding sources from WWF network to enable more operational trust fund through in part manager trustee and fund raising activities.

Were there any unexpected impacts (positive or negative)?

Positive:

Tesso Nilo was recognized and supported by most stakeholders in Riau as an elephant conservation area.

Negative:

Tesso Nilo has been associated with WWF. As a result, anything happened in the area is always regarded as having something to do with WWF. Threats to WWF staff by illegal loggers as a consequence of arresting the suspects by law enforcement agencies is an alarming thing.

IV. PROJECT OUTPUTS

Project Outputs: Enter the project outputs from the Logical Framework for the project

Planned vs. Actual Performance

Indicator	Actual at Completion
<p>Output 1: Project has successfully carried out all possible efforts to encourage and support the declaration of Tesso Nilo as an official conservation management unit within 1 year.</p>	
<p><i>Project has organized gatherings that have outlined the array of pros and cons of a declaration of TNNP with these main stakeholder groups: National Park Authorities within Central Government, Provincial Government, three District Governments whose territory is touched by TNCF, three groups of communities with traditional land claims inside TNCF boundaries, trans-migration villages that directly border TNCF, companies whose operations border TNCF within 2Q</i></p>	<p>Declaration of Tesso Nilo National Park socialized at field level. This activity gained support from Tesso Nilo Community Forum representing 22 villages surrounding Tesso Nilo. The socialization was also targeted to companies operating in the vicinity of area.</p>
<p><i>Project has compiled and submitted to Ministry of Forestry all requested material on stakeholder consent, biological and sociological data, and land cover / land use maps to support a TNCF declaration within 1Q</i></p>	<p>Supporting data for use in the development of new national parks in Riau, which consists of biodiversity and social-economic data of 22 key villages has been prepared. The biodiversity data which was submitted was that resulted from LIPI with funding support from CEPF in the previous phase.</p> <p>Also supporting data for park extension including its problems has been prepared and submitted to the local government and Forestry Ministry.</p>

<i>Project has provided all data, field guides, and logistics for multi-disciplinary government task force for writing the official government justification needed for a declaration of TNCF within 1Q</i>	An integrated team for declaration of new conservation areas has been formed and it has begun effective. The project provided all data support to the team for use in writing justification for development of new national park in Tesso Nilo
<i>Project has held a national workshop for all national level stakeholders of TNCF, including industry, government agencies at all levels, communities, NGOs and major donors to discuss the design of TNCF within 3Q</i>	Related to the preparation of Tesso Nilo National Park establishment, workshops have been held at provincial and national levels. The project also attended a meeting for a plan to establish a National Park.
<i>Project has filled all important data gaps, carried out consultation meetings, and provided any additional lobbying and support on an as needed basis during the government's preparation of the TNCF application within 3Q</i>	Continue maintain contact regularly to get gaps solution. The important data gaps for TNNP phase I and extension plan have been identified
Output 2: Project has facilitated the establishment of a Joint Management Board for the new Tesso Nilo Conservation Forest within 1 year, and continued to facilitate the function of JMB.	
<i>Project has carried out focal group discussions among a variety of TNCF stakeholders to discuss the benefits of a Joint Management Board within 2Q</i>	Key stakeholders have been identified in the plan to develop collaborative management of Tesso Nilo. A number of 17 institutions were considered potential stakeholders
<i>Project has identified potential corporate, community, government, academia, NGO, and other board members and solicited their involvement in TNCF within 2Q</i>	The project has identified key stakeholders in Tesso Nilo which comprises of Central Government, Local Government, corporates, community, NGO, academia, parliament, and Police
<i>Project has worked with major stakeholders to determine their respective roles and responsibilities as potential board members, and to determine a common vision for the board within 4Q</i>	The project continued to work with major stakeholders comprising of : Central and Local Governments, corporate, and community
<i>Project has exposed potential JMB members and decision makers to other areas where joint management of conservation areas is practices successfully</i>	Together with major stakeholders, the project discussed further plans of workshop and proposed collaborative management of Tesso Nilo. Four workshops were held.
<i>Project has facilitated the establishment of a Joint Management Board (JMB), including its composition, mission, responsibilities, powers, secretariat, and financing by the end of year one</i>	The last workshop on collaborative management establishment was held with 17 stakeholders in June 2005. On 3 June 2005 the stakeholders agreed to name the collaborative management with Yayasan Taman Nasional Tesso Nilo/Tesso Nilo Foundation.
Output 3: Project has carried out negotiations regarding boundaries of the new conservation management unit among stakeholders and has mapped the results within 2 years	
<i>Project has developed proposed boundary map for TNCF and introduced it to government within 2Q of project launch</i>	The project has provided inputs to the integrated team/Forestry Ministry for preparation of Tesso Nilo National Park declaration in forms of boundary map as in the inactive consencession. The proposed Tesso Nilo National Park was the ex-HPH PT Dwi Marta.
<i>Project has identified all potential stakeholders with whom the park may have a conflict of interest over the location of the boundaries identified within 2Q</i>	From identification by the stakeholders immediately close to the Tesso Nilo, it was found that some concessions were overlapping with ex-HPH PT Dwi

	<p>Marta namely PT RAPP in the northern part Tesso Nilo National Park about 3,600 ha, Koperasi Primer/Asian Agri (oil palm) in the east, and Koperasi Lubuk Batu Indah (oil palm) in the east. In the south the area was a little bit overlapping with PT Putri Lindung Bulan/timber plantation.</p>
<p><i>Project has carried out negotiations on boundary issues among relevant government entities, communities and corporate neighbors, and, where agreed to, project provided support to the government in demarcating the boundaries within 2 years</i></p>	<p>Park boundary demarcation has been made in the west and south parts and agreed upon by all stakeholders. In the east and north, temporary boundary demarcation has been made while waiting for the decision from the Forestry Ministry on the overlapping area.</p>
<p>Output 4: Project has facilitated the inclusion of a Tesso Nilo Conservation Forest Area and the protection of essential natural resources in Provincial and District land use plans, and has advocated a multi-stakeholder approach to spatial planning by all layers of government</p>	
<p><i>Project has disseminated the Tesso Nilo-Bukit Tiga Puluh Conservation Landscape concept to provincial and district governments, corporations, prominent figures and communities within 3Q</i></p>	<p>Based on the vision map of Tesso Nilo-Bukit Tigapuluh Landscape, which had been produced together with Jikalauhari before, the project disseminated the vision map to related districts : Pelalawan, Kampar, Kuantan Singingi, Indragiri Hulu, and Indragiri Hilir. This activity engaged Jikalauhari, so the status of Jikalauhari was therefore known by them.</p>
<p><i>Project has facilitated consultation in each district to modify existing or create new land use plans that would protect the Tesso Nilo forest as national park</i></p>	<p>The vision map served an important input from the project to relevant government agencies in the land use planning by incorporating a biological concept into their land use planning.</p>
<p><i>Project has worked with provincial and district spatial planning teams to include policy on sustainable natural forest usage that would maintain Riau's natural resources, its HCVF ecosystems and its outstanding levels of biodiversity</i></p>	<p>The project has carried out coordination and consultations with Riau Province Planning Agency and 5 District Planning Agencies in the Tesso Nilo-Bukit Tigapuluh Landscape in attempt to provide them inputs for revised land use planning. For this, the project hired a consultant to prepare academic draft of provincial land use planning and district land use planning of 5 districts in the landscape.</p>
<p><i>Project has facilitated Provincial level workshop with Riau Province Spatial Coordinating Team (TKPRP) to change zoning so that the Tesso Nilo Forest can become a protected area within 3Q</i></p>	<p>At provincial level, the project together with Riau Provincial Planning Agency and BKPRD (Badan Koordinasi Penataan Ruang Daerah) /Coordination Body for Regional Planning carried out public consultations on the draft revised Riau land use planning, provided them with inputs on forest use planning as well as HCVF in Riau.</p>
<p><i>Project has worked with provincial and district spatial planning teams to include policy on sustainable natural forest usage that would maintain Riau's natural resources, its HCVF ecosystems and its outstanding levels of biodiversity within 2 years</i></p>	<p>During the last four years, WWF was invited to become member of BKPRD (Badan Koordinasi Penataan Ruang Daerah) /Coordination Body for Regional Planning. This has given an opportunity to the project for lobbying and influencing Riau land use planning. As a result, the project has succeeded in proposing the Tesso Nilo and its extension area as a conservation area.</p> <p>The project has also succeeded in integrating the biological corridor concept to the draft revision of Riau Province, Kuantan Singingi District and</p>

	Indragiri Hulu District land use planning where the corridors are located. The protected peat land in Kampar peninsular, Kerumutan block and Senepis were also proposed by the project to be integrated to Riau Land Use revision. A green scenario of Riau Land Use Planning for 50 years ahead is something encouraging.
Output 5: Project has assisted Riau's JIKALAHARI NGO Network to become the driving advocacy force for the protection of the landscape's natural resources based on a professionally managed natural resource information center	
<i>Project has assessed the achievements of Jikalahari based on the previous contract within 1Q</i>	The project has conducted an assessment to measure what achievement Jikalahari has obtained during the previous contract. Things to be measured included the progress of secretariat office. Also the project financial use was audited. The evaluation revealed that all was running well and there was an indication of staff that they were willing to work hard to develop future program.
<i>Project has built Jikalahari's capacity to develop and execute advocacy campaign within 3Q</i>	The project has assisted Jikalahari in making it an effective advocacy body. Capacity building has been provided to the GIS, IT, website (www.jikalahari.org) and database management staff
<i>JIKALAHARI gathers, enters into professional database and regularly updates data and information on Riau's forests and natural resources within 2 years</i>	The project has also facilitated the development of Riau forest database. Data was in part collected from field survey, sharing with other entities including WWF. At present Jikalahari owns quite good database system, and it has been used by its institution members and it has become a reference for campaign for the save the Riau natural forest
<i>JIKALAHARI publishes information on web and through newsletters regularly beginning Q3</i>	A three monthly bulletine has been produced by Jikalahari to inform public about its conservation programs, and opinion and articles on the forest issues from other sources have also been published in the bulletine. To reach wider audiences, a Jikalahari website was developed in two versions : English and Bahasa. The website is updated on monthly basis and linked with other websites such as Eyes on the Forest developed jointly between WWF, Walhi Riau and Jikalhari
<i>JIKALAHARI has developed and is executing conservation advocacy campaign based on solid nat res information within 1 year</i>	Jikalahari has actively conducted campaign and advocacy for saving natural forests in Riau. Activities of campaign and advocacy were done through seminar, workshop, important events institutions. arranged by Jikalahari itself or by other
Output 6: The project has established a Tesso Nilo Conservation Forest Trust Fund to finance long-term professional management of the area	
<i>Project has developed trust fund structure, established a Board of Trustees for the Fund, established fund distribution procedures and reporting practices</i>	Project has developed trust fund structure that included financial management plan, risk and risk mitigation analysis, operational manual, funding plan and calculation of endowment fund size, sustainable funding possibilities, and budgeting.

<p><i>Project has established trust fund and begun raising funds for it within 18 months. Comments: Project cannot promise that others contribute to the trust fund but hopes that it is able to raise \$1m per year starting from year 2</i></p>	<p>Organizational structure and budgeting for Tesso Nilo Trust Fund management has been made available. WWF has posted a trust fund in Brunei Darussalam and has positioned HMR Trust Ltd as trust manager. When the report was written, WWF was trying to promote a cooperation with HSBC Singapore as management trustee. As a result, fund raising could not be conducted, but a grant making mechanism has been developed. Fund raising was the most difficult task in the trust fund</p>
<p><i>Project has compiled list of potential trust fund contributors and has approached those donors within 1 year</i></p>	<p>Sources of funding have been identified for Tesso Nilo Trust Fund with possibilities of sustainable funding. Identification has also been made on risks and risk mitigation of trust fund management. Source of funding from WWF Network was regarded as potential funding.</p>
<p><i>Project has established trust fund and begun raising funds for it within 18 months. Comments: Project cannot promise that others contribute to the trust fund but hopes that it is able to raise \$1m per year starting from year 2</i></p>	<p>.....</p>

Describe the success of the project in terms of delivering the intended outputs.

1. Proposed new Tesso Nilo National Park was approved, although in the beginning there were conflicting interests, especially forest development. Considering that the size of the park is less than expected, WWF will still attempt to extend the area.
2. A collaborative management of Tesso Nilo National Park has been established, which will play an important role in funding conservation activities in Tesso Nilo and developing sustainable community livelihood. The next step will be to empower this body with management and budget. A lot of fund is needed to run the body as a sustainable collaborative body. Hence, the foundation becomes a Tesso Nilo Trust Fund mechanism and the only local body to be a beneficiary of the trust fund
3. The project advocacy in the land use has been carried out by developing better conservation concepts. The result of advocacy have been a number of 23 protected areas included in the final draft of Riau Land Use Planning, Tesso Nilo forest allocated to Tesso Nilo National Park extension, biological corridor between Bukit Tigapuluh –Bukit Rimbang Baling designated as protected area, and Kampar Peninsular, Giam Siak Kecil, and Senepis peat land allocated as protected peat lands.
4. Because of the project intervention, a new body has grown in Riau namely Jikalahari which becomes the only NGO alliance to save natural forests in Riau, and which operates effectively and was supported with good data base system. Now, Jikalahari's views on forests in Riau have always been taken for consideration by many parties such as central and regional government, companies, and NGOs
5. A trust manager has been recruited and trust fund has been put in Brunei Darussalam.

Were any outputs unrealized? If so, how has this affected the overall impact of the project?

One of the outputs that has not been realized is the fund raising for Tesso Nilo Conservation Trust Fund. The 18 months allocated for this out put to be realized was not enough. Internally WWF network and other national organizations within WWF network have given commitment to put their investment on Tesso Nilo Conservation Trust Fund. The unrealized fund raising has not hampered the entire project activities.

V. SAFEGUARD POLICY ASSESSMENTS

Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.

In general, the project has succeeded in influencing the policy makers at national and regional level on more conservation-oriented decision making. To promote a permanent decision requires formal documents such as District Regulations, Decree of Forestry Ministry on the establishment of National Park and other conservation areas.

Considering that the project has limited period and funds, it is necessary to build partnership at local level to monitor the policy so as to become sustainable. This can be done by Jikalahari and Tesso Nilo National Park Foundation, and of course it requires adequate resource.

VI. LESSONS LEARNED FROM THE PROJECT

Describe any lessons learned during the various phases of the project. Consider lessons both for future projects, as well as for CEPF's future performance.

The project works mainly with policy making and public opinion building to support conservation of Tesso Nilo-Bukit Tigapuluh Landscape or protection of natural resources in Riau through spatial planning approach. To implement the program required critical stages which frequently led to the not maximal achievement. The lack of time to conduct project activities will make the project even hard to accomplish. Thus, flexible commitment is required in the implementation and management of project.

There were many factors affecting the project achievement due to government policy, commitment of stakeholders, and conflicting interests at local as well as regional levels. So, a longer project period is required in the future from donors, especially CEPF.

Project Design Process: (aspects of the project design that contributed to its success/failure)

The project design and mechanism are in general feasible. The monitoring and supervision by CEPF Grant Manager proved effective in maintaining teamwork. The project is considered to be sufficient as it was supported by enough fund and equipped with good tools and reporting kit so that a progress project report can be easily made possible.

Project Execution: (aspects of the project execution that contributed to its success/failure)

In the project implementation, support from WWF Indonesia, local NGOs, community and government were adequate. This opportunity has helped the project to attain its goal. The same went to the field staff who maintained good teamwork, also effective supervision by CEPF management. However, the major problem has been most of the time devoted to facilitate many stakeholders, and it has caused the project to be slow in attaining its progress. It is too early to see the commitment of 17 stakeholders to collaborative management of Tesso Nilo in a three monthly report.

VII. ADDITIONAL FUNDING

Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.

Donor	Type of Funding*	Amount	Notes
WWF Japan	B	USD 40,000	<ul style="list-style-type: none"> - Establishment and legalization of Tesso Nilo Trust Fund in Indonesia and Off-shore (Brunei Darussalam) . - Development of Tesso Nilo Trust Fund Grant Making Mechanism. - Operation of the Trust Fund Secretariat in Jakarta.

**Additional funding should be reported using the following categories:*

- A Project co-financing (Other donors contribute to the direct costs of this CEPF project)*
- B Complementary funding (Other donors contribute to partner organizations that are working on a project linked with this CEPF project)*
- C Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF project.)*
- D Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

Provide details of whether this project will continue in the future and if so, how any additional funding already secured or fundraising plans will help ensure its sustainability.

The target to establish Tesso Nilo National Park with an area of 100,000 ha has not been achieved. At present, the Forestry Ministry has approved only 38,576 ha. Thus, further attempt is strongly needed to attain the expected size of Tesso Nilo National Park which is ideal for elephant conservation. Inadequate management of production forest by concession holders and weakened control of Forestry Ministry and Forestry Service over the area designated as the park extension area have resulted in the area encroached. The size of area encroached has doubled, from 18,000 ha in 2005 to become 35,600 ha in 2006. It is a very hard task to have Tesso Nilo expansion materialized. But attempts and endeavours should be made by the project with the present condition and limitation.

The Riau Government with strong commitment has issued a Governor Decision to build a combating land encroachment team that will also promote Tesso Nilo expansion. However, the Governor Decision Letter has not successfully pushed the team to carry out their activities. A flexible commitment from donor is required to facilitate the team for their active role in the protection of Tesso Nilo. Although WWF together with Riau Provincial Government formulated

comprehensive action plans to solve the encroachment problem, the plans remained not materialized. Below are the action plans and corresponding budget.

1. Update encroachment data:
 - Demographical survey of encroacher in the Tesso Nilo extension area (Toro, Km 60/koridor sektor Ukui, Km 47 Siak Raya Timber).
 - Inventory of encroacher at 5 points inside the Tesso Nilo.
2. Operation of area security:
 - Joint patrol
 - Promote law enforcement
 - Build check point posts and carry out related activities
 - Damage logging road network leading to the forest area
 - Produce public announcement board that encroachment is a serious crime
3. Encroacher relocation and guidance :
 - Relocation area inventory
 - Provide relocation facilities
 - Relocate and provide 5 year period guidance to encroachers
4. Secured status of TNNP:
 - Cancellation of National Land Body certificate about land overlapping with the Indragiri Hulu District part of Tesso Nilo
 - Investigate the National Land Body certificate case in the promotion of law enforcement
5. Tesso Nilo National Park extension:
 - Form an integrated team of Forestry Ministry
 - Facilitate Tesso Nilo extension assessment and area function change assessment
 - Facilitate the relevant government agencies in getting a Decree of Forestry Ministry concerning the park extension issued

Until recently there has no enough and sustainable funding for having this materialized. The project is expecting a funding from Tesso Nilo Conservation Trust Fund which so far has not come while problems on the ground require a quick solution. Finally, the project creates hope that CEPF will continue its funding for the project's 5 future plans.

VIII. ADDITIONAL COMMENTS AND RECOMMENDATIONS

Although we know that Indonesia is not becoming the priority of phase II CEPF Program, we believe CEPF will still consider it important to continue its commitment to save Tesso Nilo, **the Tesso Nilo Protected Area as a Centerpiece of Sumatra's Tesso Nilo Bukit/Tigapuluh Conservation Corridor.**

VIII. INFORMATION SHARING

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. One way we do this is by making programmatic project documents available on our Web site, www.cepf.net, and by marketing these in our newsletter and other communications.

These documents are accessed frequently by other CEPF grantees, potential partners, and the wider conservation community.

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