

Strength, Weakness, Opportunity, and Threat (SWOT) of the Implementation of HTR Policy in Indonesia

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Abstract

The aim of this research is to identify strengths, weaknesses, opportunities, and threats in implementing *HTR* (*Hutan Tanaman Rakyat*, in Indonesian, or Plantation Forest Folk) policies. This study is located in area of *HTR* throughout Indonesia, distributed in 26 Provinces in Indonesia starting from Aceh to Papua. Population in this study is region/ Regency implementing *HTR* development in Indonesia. Total population is 127 regions/regencies. This study takes all regions which are 127 regencies implementing *HTR* development in Indonesia. The Analysis using SWOT is given: The strength (S) of *HTR* is the strong will from the communities and local government in managing the forest areas; the availability of areas; the support of the Central and Local Governments. The result of this study are: The weakness (W) of *HTR* is the limited of the human resources of the forestry extension officers; the limited of the human resources from the communities; the uncertainty of investors. The Opportunity (O) of *HTR* is the existence of the forest land utilization markets with non forestry commodities; the government's policies in increasing IPM on the backward regions. The Threat (T) of *HTR* is the assurance of the sustainability of forestry production; the fluctuation in the demands of timber; land claims by the communities or indigenous. The recommendation from the SWOT analysis are: SO: issue forestry incentive regulation; optimize the development of agroforestry; optimize funding (APBD, APBN, non APBD/APBD) for the development of the *HTR*, WO: increase the number of the human resources of the forestry extension officers; present forestry investors. TO: mentoring the implementation of the *HTR* program; empowering and communities institutional facilitation; increasing coordination with technical agencies, and WO: coordinate among agencies and the academic feasibility study and the roadmap of the *HTR*

Keywords: *SWOT, HTR Policy, Forest in Indonesia*

1. Introduction

Public administration is truly required in the attempt of implementing effective and efficient public policies. Public policy is the function of organization and management pillar which is the main focus in the science of public administration. In public administration, a nation is perceived as an organization and government is positioned as management. A nation is a static place so that it needs a driver in form of management. The meeting between nation and governmental elements will result a common provision, regulation or law so-called public policy. Public policy will be operated by state administration performed by governmental bureaucracy. According to Dwiyanto [1] as the main focus, public policy in case of public service, is a highly logical implication for public policy is the main output of government. The role of government can be used as the base of a policy as principal instrument which can be employed to improve society's behavior in the attempt to search for solution in a public affair. Ripley [2] suggest that it is as an attempt of domestic policies which are: distributive policies, protecting regulation policies, competitive regulation policies, and redistributive policies.

One of the policies in the scope of forestry in Indonesia is *HTR* (*Hutan Tanaman Rakyat*, in Indonesian, or Plantation Forest Folk) policy. The prioritized policies of forestry development in Indonesia is Revitalization of Forest Utilization and Forest Industry. Natural forest utilization in satisfying forest industrial needs currently cannot be relied on. Degraded natural forest condition as the result of illegal logging and forest fires, causing lacks of wood supplies for forest industries. The development of plantation, both industrial plantation and people plantation (*Hutan Tanaman Rakyat*) are a kind of way to satisfy the national wood industry needs. *HTR* is a plantation developed by a group of people in regard to improve potencies and qualities of production forest by applying silviculture which assures the forest resource preservation. Several basics of *HTR* policies is first, Government Regulation No. 6 of 2007 and Government Regulation No. 3 of 2008 about Forest Governance and Forest Management Planning, and Forest Utilization, second: Minister of Forestry Regulation No P.55/Menhut.II/2011 about Application Procedures of IUPHHK-*HTR* in Plantation, third: Minister of Forestry Regulation No P.3/Menhut-II/2012 about Work Plan on Utilization Attempt of Wood Forest of *Hutan Tanaman Rakyat* Results, fourth: Regulation of Director General No P.04/VI-BUHT/2012 about Guidelines of *Hutan Tanaman Rakyat* Cultivation, and fifth: Minister of Forestry Regulation No. P.05/VI-BUHT/2012 about Procedures of Selection and Development Assistance of *Hutan Tanaman Rakyat*. Plantation is located at: (1) non-productive production forest, (2) a place without any permission issue / other rights, (3) there is no

reforestation plants and rehabilitation, (4) the presence of people relying on forest and forest products but has not obtained legalization/permission [3]

The results of field observations show that most of these forest areas have been no longer productive because they have been used as cultivation areas by local communities. Considering the potential of forest lands and the phenomenon of lands use, the Local Government allocates the production forest areas which are unproductive and are not given rights as areas for the development of social plantation forest (*HTR*).

The development of the *HTR* is largely based on the spirit that community is a powerful force in supporting the concept of sustainable forests. It means that the *HTR* has three things which are the responsibilities of the government in managing forest that will gradually be handed over to the communities. The communities as the *HTR* managers have to be prepared both knowledges and technologies in forestry, management, and the institutional relations followed with: (1) the responsibility in maintaining and securing the forest areas; (2) the responsibility in managing the forest areas; (3) the responsibility in utilizing the forest areas; and (4) the responsibility for the success of the *HTR*.

The development of the *HTR* needs to pay attention on the assurance of the availability and security of the forest areas, the ability and readiness of the communities (sciences and technologies, management, and institutional relations) to manage the areas. In order to get the *HTR* to run well and smoothly, it is necessary to limit the definition in respect of the *HTR* from various factors, such as target to be achieved, technology and management, and institutional relations. The *HTR* program just begin to be implemented so that it is necessary to formulate the development strategies and its priorities because it is one of the government's strategic plans and is expected to make a sustainable, productive forest and also to improve the welfare of the communities through direct employments particularly in the forestry sector and to boost regional economic growth. Therefore the problem studied in this research is to identify strengths, weaknesses, opportunities, and threats in implementing *HTR* policies.

2. Methodology

This study is located in area of *HTR* throughout Indonesia, distributed in 26 Provinces in Indonesia starting from Aceh to Papua. Population in this study is region/ Regency implementing *HTR* development in Indonesia. Total population is 127 regions/regencies. This study takes all regions which are 127 regencies implementing *HTR* development in Indonesia [3,7].

Therefore the problem studied in this research is to identify strengths, weaknesses, opportunities, and threats in implementing *HTR* policies [4,5,6]. The respondents in this study are the representative of stakeholders who know and directly involve in the *HTR* program. The sample of the respondents is a part of the institutions related to policies making and strategies development of the *HTR* in Indonesia. The sampling or sampling technique is conducted intentionally (purposive sampling) with consideration of the most knowledgeable respondents (expert) about the issues of the *HTR*, is as follows: (1) Head of Forest Management, (2) Head Section of Distribution of Forest Products in the sector of Forest Management, Department of Forestry and Mining, (3) Head of Land Rehabilitation and Social Forestry Department of Forestry, (4) Legislative Member of the Development Committee of Regional House of Representatives (DPRD), (5) Secretary of the Executive Agency for Agriculture, Fisheries, and Forestry, (6) NGO leader of Wahana Lingkungan Hidup Indonesia (WALHI). Data are analyzed by using Factor Analysis and to determine the characteristics of each strengths, weaknesses, opportunities, and threats of the implementation of the *HTR* policies [8,9,10]

3. Result and Discussion

According to the results of direct observations, interviews, and questionnaires, it can be formulated several strategic issues both internally and externally. The internal strategic issues include strengths and weaknesses, whereas the external strategic issues include opportunities and threats.

3.1. Strengths

The strong will from the communities and local governments in managing forest areas. According to chronological implementation of the *HTR* program, it is revealed that in the searching of the rules of *HTR*, the identification of KTH and KK from the participants of *HTR* program can be implemented as previously planned. The facilitation of regulations and policies of the local government runs promptly starting from the preparation of the Ranteknis of *HTR* by the Department of Agriculture and Mining and Department of Forestry to the issuance of the Decree of Ministry of Forestry on the Backup Permits being already socialized to the KTH-*HTR* candidates. The availability of *HTR* areas. The potential areas proposed by the local governments is quite extensive. The designation of the forest areas refers to the RT RW in each regions.

The support of the Central and Local Governments. The local government strongly supports the development of *HTR*, such as *HTR* consultation activities, socialization of *HTR*. Other supports include *HTR* financing program from the APBD of the Province and District, Poverty Alleviation Program especially in the

sub-districts which have a low rate of human development index through the PNPM Mandiri dan the BPMD of the Province and District, and the commitment of the local government to actualize the public welfare as well as mandated by the communities.

The supports of the Central Government include the financing support which will be given by the Public Service Agency (BLU) of the Ministry of Forestry and the ministries associated with the forestry program, such as the State Minister for Cooperatives and Small and Medium Enterprises for the empowerment of the Cooperatives and Small and Medium Enterprises of the local communities around the forest, the Ministry of Agriculture associated with the utilization of agriculture commodities in the forest areas, the Ministry of Trade associated with the protection of the forest commodities price, the Ministry of Manpower and Transmigration associated with the policies of job creation as well as the State Minister for Acceleration Development Backward Regions associated with the policy approaches of the backward areas.

3.2. Weaknesses

The uncertainty of the investors. The greatest weakness is the uncertainty of the investors present in the development of *HTR* in various regions. The role of investor can motivate the communities in empowering its economic potencies to develop and go forward. The absence of the investors is due to the region defined as the forest areas have not yet guaranteed the business certainty in terms of tenure, period of utilization and transfer of the permit to use.

The limited of the human resources of the forestry apparatus/extension officers. The number of the forestry apparatus is limited. The forestry extension officer dan the ranger account to only one person and the total of the human resources of the forestry extension officers in the Department of Forestry is so minimal (mostly below 30 person and a small number forestry undergraduate), not again the poor infrastructure in managing the working areas. For institutional the forestry extension officers were previously in the Department of Forestry both in the Province level and District level until the establishment of the new institutional for the forestry extension officers that is the Agency for Agriculture, Fisheries, and Forestry Extension Officers, where the province level is the coordinator function and the district level is the executor function.

The limited of the human resources of the communities. *HTR* is a new forest managing model for the communities, so commonly the human resources particularly the KTH have not yet fully understand about *HTR*. The human resources have limited ability to capital, forestry management skills both in the aspects of cultivation and processing as well as marketing, limited equipments and facilities and lack of knowledges regarding with the forest industry or sustainable forest management.

3.3. Opportunities

Market. The existence of a market that needs raw wood material is a potential opportunity which encourages the communities spirit to develop *HTR*. Regional needs on wood is so high, along with the developing of the region where the establishment of new settlement in every regions and office buildings as well as other infrastructures needs wood as the main building material.

The government policies in increasing IPM (human development index) in the backward regions. The existence of the grand strategy of the government programs that support poverty alleviation, expansion of job opportunities, economic growth and the environment, make regulations and policies of the Central and Local Governments put forward the communities empowerment, especially in the border areas, backward areas and rural areas, including through the rural PNPM activities.

The utilization of forest areas with non forestry commodities. There are many opportunities for the communities to harness the *HTR* areas with non forestry commodities which are agriculture and or livestock sectors. Land use systems combining woody plants (trees, perdus, bamboos, rattans, and any others) with no woody plants or can be with grass (pasture), sometimes there are any components of livestock or other animals (bees, fish) to form ecological interactions between woody plants and other components. This is also done to pass the time waiting for harvesting the timber forest products, where for plants in the *HTR* areas are the trees whose cycle of at least 8 years long. Non forestry commodities which allows to be cultivated in the *HTR* research areas are chocolate, nuts, and coffee.

3.4. Threats

The fluctuation in the demand of timbers. The fluctuation in the demand of timbers allows farmers harvesting with clear-cutting system to all of the trees planted in the *HTR* permission areas which are belong to them at the time the . It can therefore threaten the sustainability of the forest products in the *HTR* areas. Based on the Decree of the Ministry of Forestry Number P.62/Menhut-II/2008 on the Working Plan for Utilization Attempts of Timber Forest Products (RKUPHHK), Industrial Plantation Forest and Social Plantation Forest have loaded a ten years working plan, which are planting and logging.

Farmers actually have full rights to use and process the forests including the logging system, but the

uncertainty of the production cost, land management, and their income, resulting in farmers cultivate the type of annual crops that rapidly produce. Therefore, any suggestions of the forest farmer managers need to be accommodated in policy making and to be followed-up in order to maintain the existence of *HTR* in the future.

The assurance of the sustainability of forestry production. The sustainability of forest products have to be guaranteed for the survival of the *HTR* program. Harvesting forest products in the plantation forests in this case the *HTR* is implemented by using clear-cutting system, forest management model with such system have to get a good explanation to the communities having the *HTR* permits. The forestry extension officers as a guide in implementing program will explain the concept of the results controlling to ensure the sustainability of forest products. The assurance of the sustainability is also associated with the risk of the security of supply from the communities having partnership right (*IUPHHK-HTR*) to meet the requirements of the supply of raw materials in terms of quantity and quality on an ongoing basis.

Land claims by the communities or indigenous. Most of the *HTR* areas have been managed in a communal society despite not having right on land tenure recognized by the government, however the recognition of the right of the land tenure (utilization) is recognized by the local communities. The internal conflicts due to the difference of interests increasing rapidly have also contributed to the weakness of the assurance of land status, beside it is still poor in land administration and documentation systems by the local government. Therefore, the present issues of the assurance of land status and tenure have become a strategic issue for the development of the *HTR* areas.

3.5. Development Strategies Base on SWOT

SWOT matrix for the development strategies of the *HTR* results in four quadrants of strategy,

Table 1: SWOT Matrix

	Strength	Weakness
	the strong will from the communities and local government in managing the forest areas; the availability of areas; the support of the Central and Local Governments	the limited of the human resources of the forestry extension officers; the limited of the human resources from the communities; the uncertainty of investors
Opportunity the existence of the forest land utilization markets with non forestry commodities; the government's policies in increasing IPM on the backward regions	issue forestry incentive regulation; optimize the development of agroforestry; optimize funding (APBD, APBN, non APBD/APBD) for the development of the <i>HTR</i>	increase the number of the human resources of the forestry extension officers; present forestry investors
Threat the assurance of the sustainability of forestry production; the fluctuation in the demands of timber; land claims by the communities or indigenous.	mentoring the implementation of the <i>HTR</i> program; empowering and communities institutional facilitation; increasing coordination with technical agencies	coordinate among agencies and the academic feasibility study and the roadmap of the <i>HTR</i>

Promote investment and business incentives in the field of forestry. The governments (Central and Local) have to seriously socialize the clarity of the legal status related to concession areas that will be granted to the permit holders/investors, so that

- (1) the investment climate becomes conducive;
- (2) the communities become more understanding about the forest areas status and the benefit of the presence of companies/investors; and
- (3) increase the participation and initiatives from the communities to rehabilitate their own lands.

Some incentives that need to be offered to all stakeholders involved are:

- (a). Improve coordination among the following sectors such as forestry, cooperatives, trade and industry, and the police to shorten the chain so that the cost of trade system can be reduced;
- (b). Partnerships need to be established to accommodate timber forest products at a reasonable prices;
- (c). Training in management of timber trade system needs to be hold;
- (d). The need for capital facilities or encouraging partnerships with industry owners in order to increase the added value of timber, and;
- (e). Community forest management needs to be improved in order to assure the sustainability of production through intensive counseling.

The development of agroforestry. Harvesting timber forest products requires a long time period. For these types of plants in the *HTR* areas will generally be cultivated species whose cycle is not too long at least 8

years. To pass the waiting period then another attempt is made under the main crops in the *HTR* areas as combining forest trees with agricultural crops, or livestock and or fisheries, as well as with other types of plants that rapidly produce and is proposed by the communities, this model is often called as agroforestry.

Agroforestry is one interesting alternative to monoculture domestication that is commonly done. Management of agroforestry is not exclusive to only a single selected resource, but it allows the presence of the other resources that may not directly benefit the communities. Furthermore, establishing agroforestry is a strategy of the communities around the forest to own back the forest resources that have ever been lost or forbidden for them.

Optimization of the funding of the *HTR* program. The development of *HTR* has a very close relationship with the regional development, with a clear and focused planning concept, the optimization of funding both from the APBN and or the APBD or the private sector is important. This funding not only comes from the government, the private sector must also be given incentives and compensation so that the funding can be increased. Therefore, the Ministry of Forestry, the Provincial Local Government and the District Local Government must be proactive in proposing and allocating budgets for the development of the *HTR* as well as facilitating and providing compensation to the private investors engaged in funding, completing the infrastructure supporting the goals achievement including building roads, checkpoints, roads instructions and so on. The infrastructures built are expected to facilitate the development of the *HTR*.

Increasing the number of the human resources of the forestry extension officers. The program implementation involving a group needs a companion through mentoring. The companion is an individual or group/institution appointed and confirmed by an official or authorized agency, whereas the mentoring is more directed to technical implementation of an event, institutional strengthening and development of business through a partnership with government, businessmen, and other stakeholders. The companion in this case is the forestry extension officers who carry out the communities empowerment activities which are attempted to create basic principals of development, that are:

- (1) Self-reliance and self-empowerment building. There are three aspects in this principle. Firstly, people in the communities understand their weaknesses and realize their potentials and do not always depend on other parties (creative independency). Secondly, the ability to see the social reality in their environments with all the background and, thirdly, the ability to solve problems by themselves;
- (2) Participatory. People in the communities play an active role in all the decision-making process since planning, implementation, activities, monitoring of the utilization of proceeds evenly, sustainability, and evaluation of long-term influences;
- (3) Equal partnership and mutual benefit. The responsibilities to solve all problems of society are shared together. Companies, universities, NGOs, government agencies and other relevant institutions at the regional level are all have the shared responsibility to solve society problems;
- (4) Assistance as public education process. Assistance is not only concerned with the results, but also the process of how the results are perceived by society, and the attitude changing from a labor to an independent entrepreneur. Assistance is needed in the long term.

Improving community empowerment and institutional facilitation. In the future, community empowerment will be performed by 4 strategic stakeholders. They are governments, communities, businessmen, and NGOs supported by universities and colleges. Other stakeholders support is still needed such as customary institutions and alternative financial institutions. The Government acts as a facilitator and regulator of the three other stakeholders and never acts as a player. Thus community empowering should put people as subjects, not an object like what now happens. As Law No. 41 in 1999 and its derivatives regulation (PP No. 6 of 2007), it is mandated that community empowerment can be performed through village forest, community forest and partnership (Article 84, PP. No. 6 of 2007).

Institutional system in the development of the *HTR* is implemented through organizing local farmers' groups under the guidance of an authorized agency or NGO concerned with the forest. Education, training and counseling are three essential aspects to improve human resource capabilities in order to achieve institutional strengthening. In this case, instructors and KTH should participate in technical and management training. To achieve efficiency and effectivity, active participation from all institutions concerned with the issue of forests (NGOs, Universities and instructors) is essentially needed.

According to Maskun [11] Community Capacity Building is a developmental approach which based on significant grass root strengths. The strengths are natural resources, economic resources and human resources. All those three resources become a local capacity. In other word, central government undergoes steering (directing) function, while local government undergoes rowing functions. It is analogous with the understanding that local governments are allowed to take their own strategic policy which matched with the capacity of their people.

Improving coordination with technical agencies. Coordination between technical agencies plays an essential role in the development of the *HTR*. The functions of coordination give significant contribution in every

aspects of development include planning, implementation, monitoring and evaluation. Related technical institutions have their own role, such as BAPPEDA, BPKH and Ministry of Forestry play their role in planning. Meanwhile BPMD and SKPD play their role in the scope of Agriculture and instructors' supports. Balitbangda plays role in environmental management and research studies, Regional SKPD plays role in public infrastructures (roads and building), universities play role in academic studies. SKPD coordination forum plays role in the preparation of the program through development planning conference (musrenbang) at the district, provincial and national levels. SKPD coordination forum is necessary and plays an excellent role for strengthening the functions of regulator and facilitator for regional development, particularly the forestry sector and the *HTR*. To achieve the best results in promotion and investment of forestry, there is an urgent need to coordinate with agencies that perform the function of promotion, investment and trade. In this case, Regional Investment Agency In each District / Province should work together with the Department of Industry and Trade in each District / Province. Cooperation with the police and other legal institutions is needed to guarantee security and legal certainty in the development of *HTR*.

CONCLUSION AND RECCOMENDATION

The conclusion of this study are: The weakness (W) of *HTR* is the limited of the human resources of the forestry extension officers; the limited of the human resources from the communities; the uncertainty of investors. The Opportunity (O) of *HTR* is the existence of the forest land utilization markets with non forestry commodities; the government's policies in increasing IPM on the backward regions. The Threat (T) of *HTR* is the assurance of the sustainability of forestry production; the fluctuation in the demands of timber; land claims by the communities or indigenous. The development strategy base on SWOT analysis are: SO: issue forestry incentive regulation; optimize the development of agroforestry; optimize funding (APBD, APBN, non APBN/APBD) for the development of the *HTR*, WO: increase the number of the human resources of the forestry extension officers; present forestry investors. TO: mentoring the implementation of the *HTR* program; empowering and communities institutional facilitation; increasing coordination with technical agencies, and WO: coordinate among agencies and the academic feasibility study and the roadmap of the *HTR*

Implementation of developmental strategies of the *HTR* to the SKPD strategic planning model. The development of the *HTR* is a part of forest sustainable development which requires the existence of management unit or KPH. KPH formation is a prerequisite item in the development and management of the *HTR*. Therefore, the development of the *HTR* becomes one united component in the system. In the *HTR* scheme, incentives for land allocation, mentoring, funding, protection of timber prices, communities empowerment will be provided by the system.

Forestry financial system that currently applied in APBN / APBD system is considered less suitable for forestry pattern that depends on growing season. Currently, the financing of the *HTR* will be developed through the Public Service Agency (BLU). Therefore the use of financial system through BLU must be implemented effectively. The *HTR* financial system covers not only direct and physical cost but also indirect costs such as the cost of assistance, the bureaucracy, and so on. *HTR*'s source of funding comes from public funds, and it makes a consequence that the whole use of the funds must be accountable, effective, efficient, sustainable.

Developmental strategy of the *HTR* will be successful, if the policy makers implement the following actions: (1) Implementing the strategy to brings investors through promotion by expanding the market and market information, product processing, and publishing of regulatory ease for investment by giving incentives as a regulator and as a facilitator for preparing financial support for the *HTR* program, infrastructure development and community empowerment and improving human resource capacity of instructor both in quality and quantity. (2) Improving coordination between institutions and academics which associated with the development of the *HTR*.

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