

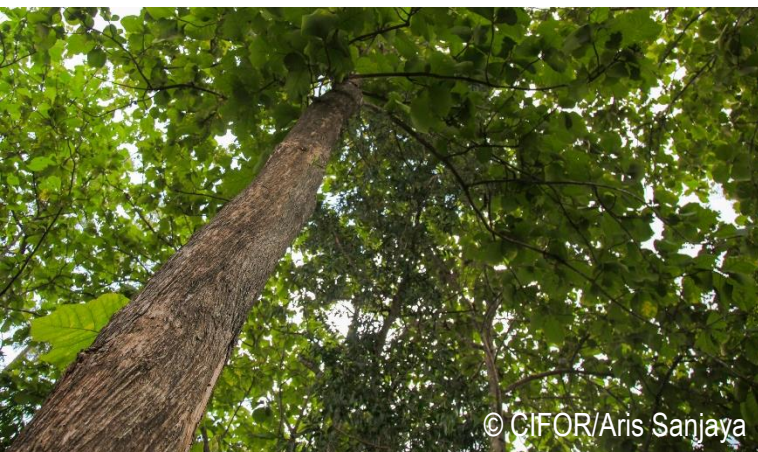
# Kanoppi Policy Factsheet 2



Phase 2

## Fostering resilient institutional arrangements

### Case study on a partnership between Yogyakarta Forest Management Unit and Notowono Cooperative for initiating and managing community-based ecotourism in Yogyakarta, Indonesia



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Forest Management Units (FMU) (*Kesatuan Pengelolaan Hutan-KPH*) have been increasingly promoted by the Government of Indonesia as one of the most prominent instruments for integrating improvement of livelihoods in farm–forest areas to achieve sustainable forest management. The FMU in Yogyakarta has been considered a model for sustainable management through an integrated approach.

Approximately 16% of the villages in Yogyakarta are located around forests. Neighboring householders are highly dependent on these forests for their daily lives. The FMU, which manages the forests, has a strong commitment to alleviate poverty and improve the welfare of forest-village communities by providing access to and use of forests through licensing schemes and cooperation. In the licensing schemes, rolled out between 2007 and 2017, 42 forest-farmer groups obtained community forestry permits (*Hutan Kemasyarakatan*).

One of FMU Yogyakarta's main activities is ecotourism, which has become very popular among tourists, especially from Yogyakarta itself. Community-based ecotourism, in particular, is gaining credence as a leading model for integrating conservation, responsible tourism and social empowerment.



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Cooperation in ecotourism include tourism management of Wanawisata Budaya Mataram Mangunan Dlingo, Bantul, which is managed by the Notowono Cooperative.

The project “Developing and Promoting Market-based Agroforestry Options and Integrated Landscape Management for Smallholder Forestry in Indonesia” (Kanoppi) is funded by the Australian Centre for International Agricultural Research. As part of the project, CIFOR (Center for International Forestry Research) and the Faculty of Forestry, Gadjah Mada University conducted research to understand the requirements for the development of resilient institutions to reconcile agricultural and forestland use through integrated landscape planning.

## 1. Objectives of the collaborative research

The findings are intended as a reference for strategic directions that will improve coordination among multiple stakeholders, primarily FMU Yogyakarta and related local state institutions with local communities. The synergy is an enabling condition that helps reconcile conservation agendas, community empowerment, responsible tourism and economic development implemented by the FMU in collaboration with local communities.

## 2. Study location and background

The Forest Management Resort (FMR) Mangunan in Bantul District is a protection forest under the jurisdiction of the Environment and Forestry Agency of Yogyakarta through the FMU. Previously, the forest was used as a pine-resin production area but became less and less productive, leading to declining revenues for the FMU and local communities. Since 2012, Mangunan Forest has become a popular tourism destination, offering the beauty of a pine forest. The local community and FMU Yogyakarta developed tourism facilities and initiated community-based ecotourism, proposed plans to the Governor of Yogyakarta and began development of collaborative ecotourism with related stakeholders and the local community cooperative.



A popular photography spot in Mangunan.  
© Abd. Aziz/FMU Yogyakarta



Then president of the United States of America, Barack Obama, visited Mangunan in 2017.

## 3. Establishment of the Notowono Cooperative in Mangunan

In the past, the local people surrounding FMR Mangunan had worked as pine-sap tappers and crop and honey-bee farmers to meet their daily needs. However, the quantity and quality of pine trees had drastically declined. On the other hand, ecotourism — with ‘selfie’ photography — has become increasingly popular. Development of ecotourism was seen as a great opportunity for alternative livelihoods for the local people. The FMU and other related government institutions agreed to manage the pine forest in the FMR Mangunan for ecotourism.

When developing ecotourism, the local people were seen as one of the most important stakeholders, particularly in preserving forest stability and minimizing disturbance. They were subsequently involved, in the planning and decision making, as well as in implementation, in the development of ecotourism. They had diverse views, experience and interest in ecotourism and the collaborative governance, designed to accommodate this, resulted in better policy outcomes.

To strengthen the position of local people, Notowono Cooperative was established as a formal institution according to legal entity No. 31/BH/XV.J/J/2016 to represent the local people in ecotourism management. The vision of the cooperative is to care, preserve and conserve forests for the development of ecotourism and environmental services in order to achieve the prosperity of its members and society in general.



The cooperative realizes that environmental, social and economic aspects should be balanced in order to achieve the vision.

As a legal institution, the cooperative was mandated to create statutes and bylaws to obtain village government recognition and to establish rules among the cooperative members. The cooperative believes that to achieve sustainable ecotourism, the institution, business and forest area must be managed effectively. The cooperative institutional arrangement consists of one chairperson and around 300 members. The chairperson is responsible for managing the membership and its work in the field. Members consist of forest-farmer groups for tapping pine sap, honey bees and 'pesanggem'. *Pesanggem* refers to poor local people who use state forestland for agriculture. The members are employed in the operationalization of ecotourism, e.g., in ticketing, parking and as tour guides. They also manage micro-businesses, e.g., food, drink, handicrafts and others inside the ecotourism location, ensure the environment remains clean free of waste and, most importantly, replant to keep the ecosystem healthy.

At the time of writing, FMU Yogyakarta and Notowono Cooperative were also collaborating in developing a grand design for Wanawisata Mataram. As many as 10 destinations are managed with ecotourism, education and culture combined, helping to synergize with the local government's vision, i.e., branding Yogyakarta as a city of education, culture and tourism.

#### 4. Legal support in operationalizing responsible ecotourism

Amidst the growing popularity of FMR Mangunan, FMU Yogyakarta initiated the development of a legal framework (Box 1) that ensures robust legal support not only from local but also central government. The support from the local government also aligns the development of community-based tourism with the province's principles and development direction.

FMU Yogyakarta also arranged a partnership agreement with Notowono, which features arrangements to preserve the Mangunan forest by

limiting tourism use to a maximum of 10% of the total area. At the time of writing, 5% (29.40 of 560 hectares) was being used for ecotourism. Ultimately, robust legal support from various institutions enables sustainable ecotourism, promoting the preservation of the forest and alignment with the local development agenda.

##### **Box 1.** Legal framework for community-based ecotourism in FMR Mangunan

Act No. 23/2014: for mandating local governments for the utilization and management of natural resources in their areas

Ministry of Forestry Regulation (*Peraturan Menteri Kehutanan/Permenhut*) No. 22/Menhut-II/2012 for ecotourism activity in protection forests

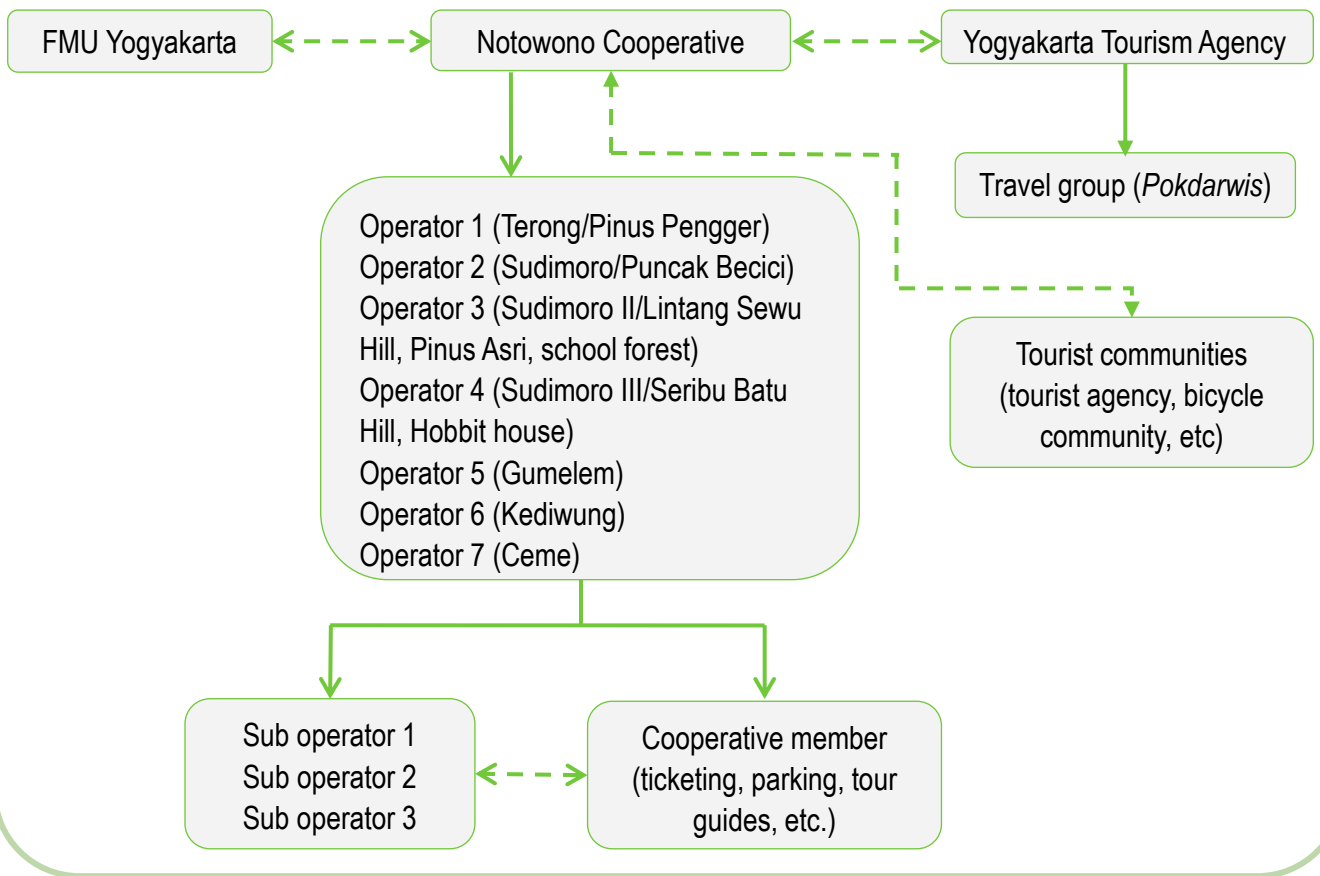
Ministry of Environment and Forestry Regulation (*Peraturan Menteri Lingkungan Hidup dan Kehutanan/PermenLHK*) No. 49/2017 for partnerships with FMU

Governor's Decree (*Peraturan Gubernur*) No. 84/2016 on partnerships with FMU for the utilization of protection forests

#### 5. Institutional arrangements: fostering synergy between FMU Yogyakarta, related agencies and the community

The FMU Yogyakarta works to synergize the ecotourism development strategy with other tourism industries under the Yogyakarta Tourism Agency's policy framework. For example, in 2017 the Yogyakarta Tourism Agency established the Mangunan Village with Mataram Cultural Forest Tourism as one of the priority destinations for international tourism. To realize this, the manager of Mataram Cultural Forest Tourism cooperates with various tourism actors, including tour operators and travel agents, restaurants, handicraft industries, tour guides and hotels. Ecotourism developed by FMU Yogyakarta is promoted on many internet sites, as well as social media, such as Facebook and Instagram.

**Box 2.** Institutional arrangements: a partnership between FMU Yogyakarta and Notowono Cooperative in managing community-based ecotourism



The tourism industry can play an important role in realizing sustainable ecotourism. Besides being able to promote ecotourism, they can also encourage tourists to behave well towards nature and minimize the environmental impact.

## 6. Which way forward?

The increase in ecotourism under FMU Yogyakarta raises the possibility of damage to the environment owing to greater numbers of visitors. This concern has been anticipated by the rule that a maximum of 10% of the area can be used for ecotourism, as outlined in the Letter of Cooperation Agreement with Notowono Cooperative. Stronger mechanisms for inter-institutional relations are also needed (e.g., with the Yogyakarta Tourism Agency, investors, travel agents etc.) along with studies of 'willingness to pay' to enjoy ecotourism areas, their carrying capacity, economic valuation, maximum quota for visitors and monitoring and evaluating the environmental impact. The latter is particularly needed to ensure that most of the payments obtained from visitors are used to improve the conservation function of the forest.

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