# Aliansi Masyarakat Adat Nusantara (AMAN) and the Nusantara Fund

Type: AMAN - Indigenous Peoples Organization

Nusantara Fund - a direct granting mechanism to indigenous communities.

**Global Objective:** AMAN - Defense, exercise, and advancement of the rights of Indigenous Peoples. Nusantara - Sustainable natural resources management



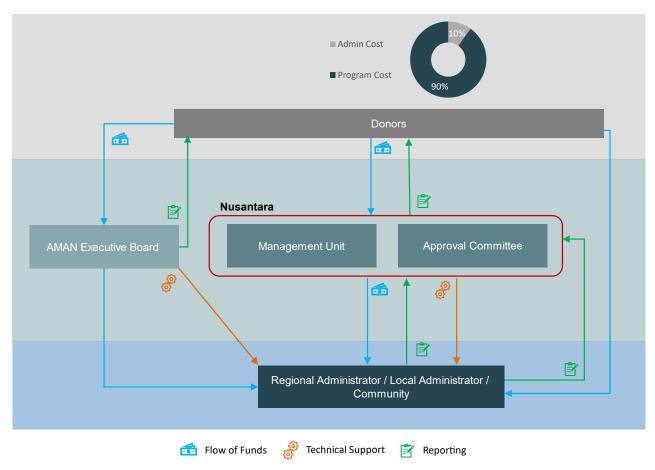
The Indigenous Peoples Alliance of the Archipelago (Aliansi Masyarakat Adat Nusantara - AMAN) is one of the largest Indigenous Peoples organizations in the world, with a membership of 2,449 communities and more than 20 million Indigenous Peoples and representing an additional 60 million non-member Indigenous Peoples who steward 60 million hectares of forests and natural resources. Established in 1999, AMAN is an independent Indonesian social organization that fights for the rights of Indigenous Peoples and has partnered with KPA and WALHI<sup>1</sup> to develop the Nusantara Fund, a direct granting mechanism to indigenous communities.

Current Funding Sources	<ul> <li>Financing received (2022) from: <i>Private donors</i> – Ashden Trust, AVAAZ Foundation, CLUA, Dana-dana Program, Ford Foundation, HIVOS, IWGIA, NDI, NIA TERO Foundation, Packard, Pawanka-Wayfinder, Rainforest Foundation US, Samdhana, SKOLL, Tamalpais Trust, Tebtebba Foundation, and Tenure Facility; <i>Bi-lateral donors</i> – NICFI; and <i>Multi-lateral donors</i> – IFAD</li> </ul>
Annual Turnover	• USD 3.46 million (2021)
Management/Administration - % of total funds	Less than 10% of grant funding
Scale of Representation	<ul> <li>Current: High – Representing 2,449 communities with more than 20 million people</li> <li>Potential: High – Additional 60 million Indigenous Peoples</li> </ul>
Replicability Potential	Low potential both nationally and globally <sup>2</sup>
Absorption Capacity	<ul> <li>Current: USD 8.5 – 10.5 million per annum (AMAN, KPA, WALHI jointly)</li> </ul>
Expansion Potential	<ul> <li>High – AMAN has great potential in the short term (with current capacity) and in the medium term with organizational development support.</li> </ul>

<sup>&</sup>lt;sup>1</sup> Consortium for Agrarian Renewal and Friends of the Earth Indonesia, respectively.

<sup>&</sup>lt;sup>2</sup> The representivity and capacity of organizations like AMAN evolve over the long term, and even significant donor effort in the shortmedium term is unlikely to be successful in creating or building out organizations with the influence, capacity, and validity to replicate an AMAN.

# Aliansi Masyarakat Adat Nusantara (AMAN) and the Nusantara Fund Fund Flow Diagram



# Aliansi Masyarakat Adat Nusantara (AMAN) and the Nusantara Fund

**What is AMAN/Nusantara Fund?** The Indigenous Peoples Alliance of the Archipelago (*Aliansi Masyarakat Adat Nusantara* – <u>AMAN</u>) is one of the largest Indigenous Peoples organizations in the world, with a membership of 2,449 communities and more than 20 million Indigenous Peoples and representing an additional 60 million non-member Indigenous Peoples who steward 60 million hectares of forests and natural resources. Established in 1999, AMAN is an independent Indonesian social organization that fights for the rights of Indigenous Peoples and has partnered with KPA and WALHI<sup>3</sup> to develop the <u>Nusantara Fund</u>, a direct granting mechanism to indigenous communities.

**Global objective (s):** <u>AMAN</u> – Defense, exercise, and advancement of the rights of Indigenous Peoples. <u>Nusantara</u> – Sustainable natural resources management

**Organizational objective (-s):** <u>AMAN's</u> overall goal is the realization of Indigenous Peoples who are politically sovereign, economically independent, and culturally dignified. The <u>Nusantara Fund</u> aims to "[establish] strong support for IP & LCs' initiative to protect and manage their land, territories and resources to increase contribution in reducing emissions related to deforestation and forest degradation, increase carbon stocks and improve people's quality of life."<sup>1</sup>

**Typology:** <u>Accountability</u> – IP & LC owned. <u>Scale of target outcome</u> – <u>AMAN</u> = Reforming Systems (Policies, laws, regulations, markets, and norms), coordination among multiple entities to implement existing systems, strengthening IP & LC organizations, and strengthening specific IP & LC communities; <u>Nusantara</u> = Strengthening IP & LC Organizations

Focal region: Indonesia.

**Operational context:** Indonesia's more than 120 million hectares of forest land make it the country with the third largest area of tropical forest worldwide. Its forests are home to 10% of the species found globally. Forest management faces many challenges, with conflicts between forest occupants and demand from competing land uses (and users) – e.g., plantation agriculture, industrial forest plantations, mining, and urban sectors – at their core. In spite of major commitments by Government to reform elements of the forest sector driving forest loss and degradation, the ongoing and unresolved conflicts and issues evinced by high deforestation rates and widespread forest fires continue.<sup>ii</sup>

Presently some 21.2 million ha are currently reported by BRWA<sup>4</sup> as Indigenous territories undergoing the process of customary territorial registration<sup>iii</sup>. Forests protected by IP & LCs, who maintain and manage these areas, are increasingly threatened due to the weak protection and inadequate recognition by the government, as well as administrative and regulatory obstacles to management of these territories. Meanwhile, expropriation of claimed lands has increased due to recent legislation focused on increasing private investment.<sup>iv</sup>

**How it works:** <u>AMAN</u> – The Alliance of Indigenous Peoples of the Archipelago (AMAN) is an independent community organization whose members consist of Indigenous Peoples' communities from throughout Indonesia. The organizational structure of AMAN consists of three levels: national, regional, and local. Its highest decision-making body is its Congress of Indigenous Peoples of the Archipelago (KMAN), which convenes every five years. The Congress is an open forum to address the pressing issues its members face.

AMAN's Executive Board, comprised of its National Council and Secretary General, are selected, and determined by the KMAN. The Secretary General heads AMAN's Secretariat, which is charged with the management and implementation of AMAN's programs. Four deputies assist the Secretary-General, each

<sup>&</sup>lt;sup>3</sup> Consortium for Agrarian Renewal and Friends of the Earth Indonesia, respectively.

<sup>&</sup>lt;sup>4</sup> Badan Registrasi Wilayah Adat (Customary Land Registration Agency) or BRWA

of whom coordinates several directorates to implement AMAN's specific programs<sup>5</sup>. Figure 1 provides an overview of its structure.

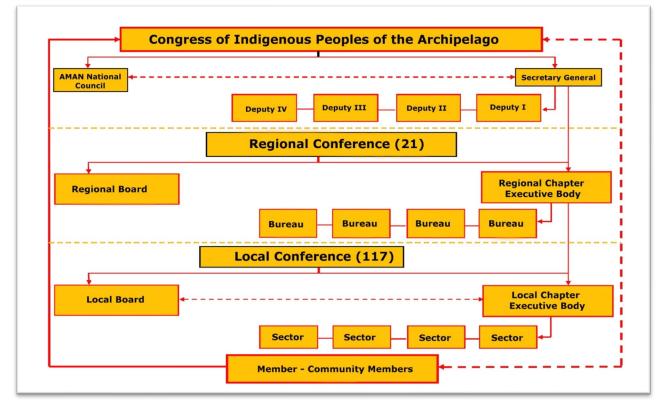
AMAN also administers and manages a direct granting mechanism that channels resources from its donors to Indigenous communities. Grants are disbursed/re-granted to communities via two pathways that are described in further detail in **Financial Mechanism**.

<u>Nusantara Fund</u> – The Nusantara Fund, conceived as a direct funding mechanism for indigenous peoples and local communities in Indonesia, is a cooperative effort between AMAN and two other organizations: WALHI<sup>v</sup> (Friends of the Earth Indonesia) that is the largest environmental movement organization in Indonesia, and KPA<sup>vi</sup> (Consortium for Agrarian Reform), which is the largest agrarian reform organization in Indonesia.

The Nusantara Fund is under development and not operational as yet. It is expected to become operational in 2023 as a foundation dedicated to provision of grant funding. Figure 2 provides an overview of the funds organization as currently conceived.

#### Figure 1. AMAN's Organizational Structure

Source: Profil Aliansi Masyarakat Adat Nusantara, 2018



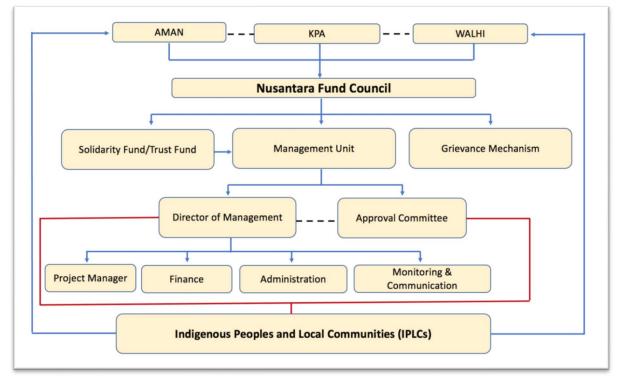
**Governance:** Through deliberations and decisions taken in its *quinquennial* KMAN, a roadmap is provided for how AMAN will operate and direct its efforts for the next five-year period. This includes the definition of how donor funding received by AMAN will be utilized.

<sup>&</sup>lt;sup>5</sup> Deputy I Secretary General for Organizational Affairs, coordinates the Directorates of Operations and Management, of Organization, Regeneration and Membership, and of Information and Communication; Deputy II Secretary General for Political Affairs, coordinates the Directorates of Legal and Human Rights Advocacy, and of Expanding Political Participation of Indigenous Peoples; Deputy III Secretary General for Economic Affairs, coordinates the Directorates of Community Support, of Economic Development and Sustainable Natural Resources Development, and of Independent Fundraising; and Deputy IV Secretary General for Social and Cultural Affairs, coordinates the Directorate of Culture.

Strategic decisions for implementation of the roadmap are taken in mandatory and regular meetings held at all levels of the organization. At the national-level, there are three mandatory meetings held: Executive Board Meetings, the National Working Meetings, and the Congress of Indigenous Peoples of the Archipelago (KMAN). Executive Board meetings are held every six months. National Working Meetings, involving Regional and Local Administrators, are held twice in five years. Similarly, three mandatory meetings are held at each of the AMAN Regional Chapter and AMAN Local Chapter levels<sup>6</sup>: management meetings, work meetings, and deliberations. This approach embeds FPIC in AMAN's overall decision-making and governance.

The <u>Nusantara Fund</u> is jointly governed by AMAN, KPA, and WALHI via the Nusantara Fund Council. The Council will establish a Management Unit with a Director, an independent Grievance Mechanism, and a Solidarity Fund (endowment fund). AMAN, KPA and WALHI have conducted a series of consultations to obtain consent from their member communities and regional/local organizations on the establishment and purpose of the Fund.

#### Figure 2. Proposed structure of Nusantara Fund Source: https://foresttenure.org/gallery/Booklet%20Nusantara%20Fund.pdf



**Priorities:** The *quinquennial* KMAN is AMAN's highest decision-making body, in which members choose their new leaders and establish and adopt the coalition's strategic objectives for the next five years<sup>vii</sup>. The most recent, KMAN VI, was held in October 2022.<sup>7</sup>

<sup>&</sup>lt;sup>6</sup> AMAN's regional and local levels are respectively led by AMAN's Regional Chapter (*Pengurus Wilayah AMAN* or PW AMAN), equal of a province or bigger areas based on cultural identity and AMAN's Local Chapter (*Pengurus Daerah AMAN* or PD AMAN), equal of a district or bigger areas based on cultural identity. Each of which is composed of Regional Daily Governing Body/Executive (*Badan Pengurus Harian* - BPH) and Local Governing Body/Executive, together with Regional Council (DAMANWIL) and Local Council (DAMANDA) as advisors and supervisors.

<sup>&</sup>lt;sup>7</sup> The KMAN serves other purposes, as well, beyond its consensus-based establishment of medium-term priorities. It is an open forum where communities raise and unite their voices on pressing topics so that they may be discussed and addressed in the setting of AMAN's strategic objectives for the coming period. It is a space for holding workshops and festivals and provides a platform for cultural and informational exchange.

AMAN's established priorities are defined along four interrelated pillars<sup>8</sup>: Organizational<sup>viii</sup>, Political<sup>ix</sup>, Economic<sup>x</sup>, and Socio-Cultural<sup>xi</sup>. Prioritization of specific financing is organized under the four pillars, and follows from AMAN's Strategic Plan<sup>9</sup>. AMAN's Executive Board communicates its funding needs to donors in accordance with the Strategic Plan, and where an accord is reached with a donor, the funds are received by the Executive Board. The Executive Board informs the Regional and Local Administrators, and member Communities of the availability of the funds and specific programs upon which the funding is focused. These, in turn, submit their funding priorities in accordance with their respective short-term and long-term work programs, which themselves are aligned with the KMAN's Program Outlines. Equally, the Regional and Local Administrators and/or Communities may directly communicate their program funding priorities and needs to donors without going through the Executive Board.

The priorities to which the <u>Nusantara Fund</u> will respond were developed by AMAN, KPA, and Walhi based on a series of regional consultations to obtain consent from each of those organizations' member communities and/or regional and local organizations. The agreed priorities for the utilization of funds that would be obtained and channeled through the Nusantara Fund mechanism are listed below. If successful, the Nusantara Fund is predicted to directly impact at least 62 million people, or twenty-five percent of Indonesia's population, and support IP & LC efforts in managing some 62 million hectares of forest and land, or one-third of Indonesia's total land area. The priorities are:

- Increase mapping of Indigenous Territories, Community Managed Areas, and Priority Agrarian Reform Locations from the current 15 million hectares.
- Provide for protection and recognition of an additional 28 million hectares from the currently recognized 7.5 million hectares.
- Rehabilitation and restoration of 35 million hectares of IP & LC territories.
- The realization of various models of fair and sustainable production, distribution, and consumption in accordance with IP & LC principles.
- The establishment of "Peoples Education" centers that function to revitalize, restore, innovate, and collaborate to increase the capacity, quality of knowledge and skills of IP & LCs in protecting and managing their lands, territories, and resources.

**Primary Outputs/Outcomes:** <u>AMAN</u> has made several major achievements to contribute to its goal of realizing its agenda for Indigenous Peoples:

- Mapping of Indigenous Territories and coordination with government: As of August 2022, a total of 1,119 indigenous communities' lands had been mapped, comprising 20.7 million hectares of Indigenous territories containing 16.9 million hectares forest. In August 2019 maps of 10.5 million hectares of Indigenous territories were submitted to the Ministry of Forestry and Environment, and maps of 11.1 million hectares of Indigenous territories were submitted to the Office of the Presidential Staff for their reference. AMAN also works with the Indonesian Geospatial Information Agency to ensure the inclusion of Indigenous Maps into the Government's One Map Initiative. AMAN's work has also resulted in an indicative mapping of Indigenous territories which comprise an estimated 40 million hectares which stores an estimated 21,073 MtC<sup>xii</sup>
- Policy intervention at national and local level, resulting in (1) The Constitutional Court Ruling No. 35 on Customary Forests in 2013; (2) Draft Bill on Indigenous Peoples; (3) National Inquiry concerning Violations of Indigenous Land Rights in Forest Areas conducted by the National Commission on Human Rights; (4) 159 Local Regulations on Indigenous Peoples; (5) MoU with the Ministry of Education, Culture, Research and Technology in 2019 on IPs Data Profiles; (6) The National Initiative Program on the Recognition and Protection of Indigenous Peoples launched by Vice President of Indonesia in 2014<sup>vi</sup>.
- Expansion of the political participation of Indigenous Peoples: Since 2007, AMAN has changed its strategy from confrontation and mass mobilization to a strategy of engagement and dialogue. Especially post-reform and democratization, elections provide opportunities for broader public engagement. Progress has included numerous village heads, legislative and regional heads that are representatives

<sup>&</sup>lt;sup>8</sup> Determined at KMAN V in 2017.

<sup>&</sup>lt;sup>9</sup> The Strategic Plan is the embodiment of the AMAN Program Outlines as stipulated and agreed in the KMAN.

of Indigenous Peoples, and in 2019, for the first time, Indigenous Peoples through AMAN were actively involved in monitoring independent elections, especially indigenous women, and young people.

- Strengthening of Indigenous Education and Traditional Knowledge: eighty-two Indigenous Schools have been initiated and are led by Indigenous youth; and eight-hundred-fifty-seven communities have had their data collected and documented, of which two-hundred-fifty were completed by youth vi.
- Economic and sustainable resource development: AMAN supports a range of activities to strengthen tenure and economic security of Indigenous territories and peoples. These include mapping and land use planning, community level economic planning, and strengthening of local economic institutions (e.g., BUMMAs or Indigenous Peoples Enterprise), marketing and marketing technology, and benefit-sharing. As of 2022, one-hundred-eighteen Indigenous enterprises (in agriculture, plantations, livestock, fisheries) had been started up, with thirty initiated and led by Indigenous youth vi.
- Emergency Response: Since 2019 108 community level ER units have been established.<sup>vi</sup>

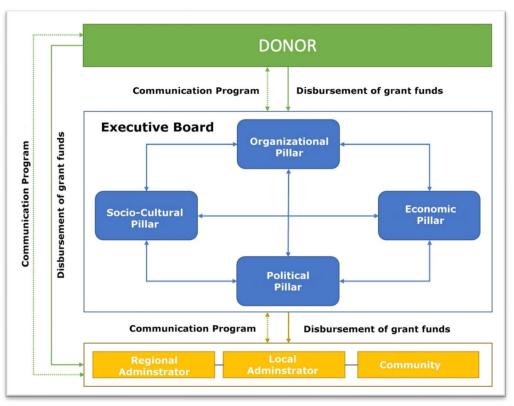
Funding sources: AMAN receives restricted financing in the form of grants from supporting donors and unrestricted financing from members' dues and donations, management fees, personal donations, bank current account services, and other receipts. AMAN also receives grants for emergency services (e.g., COVID-19, natural disasters) from various donors. In 2022 AMAN reported receiving grant financing from CLUA, Ford Foundation, HIVOS, IFAD, IWGIA, NDI, NIA TERO Foundation, NICFI, PACKARD, Pawanka-Wayfinder, Rainforest foundation US, SKOLL, Tamalpais, and the Tenure Facility; and grants for emergency services from Ashden Trust, AVAAZ Foundation, Dana-dana Program, Packard, Pawanka, Rainforest Foundation US, Samdhana, Tamalpais Trust, and the Tebtebba Foundationxiii.

### **Financial mechanism**

AMAN. Within AMAN there are the two financing pathways: that which is managed by AMAN's Executive Board, which seeks direct donor grant funding to finance the implementation of AMAN's Strategic Plan<sup>10</sup>; and that which is direct between AMAN's Regional or Local Administrators or member communities and donors without going through the Executive Board. In the former, as noted previously, the Executive Board informs the Regional and Local Administrators, and member Communities of the availability of the funds and they submit their funding requests. The proposals are vetted by the Deputies at the Secretary General (see Figure 1) for their conformity with the work program of the particular pillar under which the proposal falls, and subsequently the funds are disbursed directly to the implementing entity<sup>11</sup>. The entity receiving the funds submits its activity and financial reports to the Executive Board, which then submits program and financial reports to donors, in accordance with the agreement with the particular donor. See Figure 3.

<sup>&</sup>lt;sup>10</sup> AMAN only accepts donor funding that will advance the implementation of its Strategic Plan, and which is consistent with its priorities. <sup>11</sup> Regional or Local Administrator or Community

Figure 3.Flow of Funds for AMAN's Program Implementation Source: Zulkifli, 2022<sup>viii</sup>



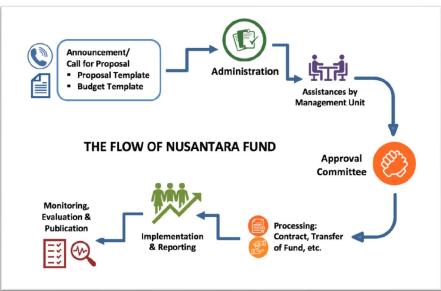
In the latter, AMAN's Regional or Local Administrators or member communities themselves meet all of the requirements of the donor for proposal submission and project management and administration. The donor directly disburses tribute the grant funds to the recipient who is responsible for all reporting in accordance with the donor agreement. The Executive Board remains involved to ensure cooperation with other parties and that the recipients can properly manage funds. Additionally, the Executive Board ensures that the proponents of the project follow an FPIC approach.

AMAN utilizes less than 10 percent of donor financing to cover its costs for administration, coordination, and other relevant operational support to its national-level Executive Board structure. More than 90 percent of the donor funds are dedicated to financing Indigenous Peoples programs. At the levels of AMAN's Regional and Local Administrators', about the same percentage of funding is utilized for administration and management (planning, M&E, etc.), though additional resources are also used to finance capacity building, including the procurement of basic work equipment (computers, modems, GPS, others).

<u>Nusantara Fund</u>. The Fund is conceived as a foundation dedicated to the provision of grant funding for local organizations and IP & LCs. The foundation is expected to form a limited liability company to manage the funds. A solidarity fund/endowment will also be established to ensure the financial sustainability of the fund. Accompanying organizations and administrators/organizations at Provincial levels will play important roles in monitoring and evaluation. The Fund is to initiate its funding cycle via an announcement and call for proposals. See Figures 2 and 4.

Figure 4. Fund flow diagram for Nusantara Fund

Source: https://foresttenure.org/gallery/Booklet%20Nusantara%20Fund.pdf



**Annual turnover**: As of December 31, 2021, AMAN reported net assets of IDR 44.44 billion (USD 3.12 million<sup>12</sup>). In 2021, AMAN received IDR 8.61 billion (USD 0.60 million) in unrestricted revenue, IDR 37.12 billion (USD 2.61 million) in restricted revenue, and IDR 9.50 billion (USD 0.67 million) in cash and cash equivalents from operating activities. Total income for 2021 was IDR 46.4 billion (USD 3.88 million), against total expenses of IDR 47.51 billion (USD 3.46 million).<sup>xv</sup> AMAN's latest available financial report (May 2022)<sup>xvi</sup> shows a total of IDR 930.96 billion (USD 6.39 million<sup>13</sup>) in funding received from donors.

**Absorption capacity**: High in relative and absolute terms. AMAN and the Nusantara Fund are built on long-term experiences of transparent governance, clear institutional vision and strategy, and effective implementation of programs/projects with support from donor resources. Both could support rapid upscaling of donor financing and program development and implementation led by AMAN, and in the case of the Nusantara Fund, along with its partners KPA and WAHI. Through the direct-financing of IP & LCs via the Nusantara Fund, the capacity to absorb funds within AMAN member communities alone includes over 20 million people in over 2,449 communities. WALHI<sup>v</sup> and KPA<sup>vi</sup>, for their parts bring mature organization with extensive presence and large numbers membership organizations located throughout Indonesia.

At the end of 2022, AMAN reported its current capacity for fund management as being USD 4-5 million per annum<sup>xvii</sup>, and KPA and WALHI reportedly presently manage USD 2.5 million, and between USD 2-3 million per annum, respectively.

### What works:

- AMAN's internal governance is mature, solid, and effective in carrying out the mandates of its Congress
  of Indigenous Peoples of the Archipelago (KMAN). This is a very notable achievement given the
  thousands of local member organizations and their extensive geographic coverage, which requires
  significant and efficient organizational decentralization, and effective communications.
- Program priorities are established and determined by all members of the AMAN community through its KMAN. From the perspective of its Indigenous members, that this mechanism is effective in generating durable consensus in a participatory and inclusive manner is reflected in the continuing growth and importance of AMAN as a voice, an advocate, and a supporter of the realization, advancement and securing of rights of Indigenous peoples. This mechanism also underlies AMAN's success in obtaining

<sup>&</sup>lt;sup>12</sup> Exchange rate of IDR 14,269 to USD<sup>ix</sup>

<sup>&</sup>lt;sup>13</sup> At <u>reported exchange rate</u> for May 31, 2022

and utilizing funding, both from its members (e.g., through their dues) and from donors, in order to support the priorities of its members and to reach them directly with funding.

- Another key to AMAN's successes is the clarity among its members of the value-added of AMAN, and their rights and obligations within the organization. This has created a bond between the Indigenous Peoples community and AMAN as an organization that is not easily disturbed by other interests.
- As a membership organization, AMAN's direct grant mechanism funds are channeled from donors to AMAN and then directly to its Indigenous community members and organizations – allows a more efficient use of funds. The now built-in and proven structures within AMAN allow for channeling resources in support of previously agreed strategic priorities, and meeting donor requirements with minimal bureaucratic and operational bottlenecks blockages, especially as compared to if the funds were channeled through and managed by an NGO or other "non-member" intermediary.
- The initiative taken by AMAN, WALHI, and KPA in developing the Nusantara Fund is an important message that three large organizations can work together to achieve common visions, missions, and goals for IP & LCs. With literally tens of millions of members and hundreds of affiliated organizations, the Nusantara Fund should prove an attractive model in Indonesia for raising and managing funds through a simple mechanism that is intended for, and easily accessible to, IP & LCs.

## Strategic Insights

**Strong governance and participation from members set the stage for being able to manage donor funds directly**. AMAN's KMAN every five years facilitates a renewed sense of organizational purpose, a strategy that is adapted to the current context, and participatory decision-making at all levels. As a membership-based organization, fiduciary and decision-making transparency are essential, and provide a foundation for legitimacy, both nationally and internationally. This accountability – both upwards to donors and downwards to member communities – provides a strong basis for trust and effectiveness. Additionally, program priorities are developed, clarified, and decided by all members of the AMAN community through KMAN. Additionally, the National Working Meeting involving the Executive Board, and the envoys of the AMAN Regional Chapters and AMAN's Local Chapters also outline and determine the AMAN operational work program for a five-year period. This work program, which is jointly designed with the community and mandated by KMAN, guides AMAN's use the funds, including those sourced from donors, according to the needs and priorities of Indigenous Peoples.

**Free, prior, and informed consent (FPIC) is embedded in AMAN's decision-making and governance.** AMAN is an organization owned and led by Indigenous Peoples. All decisions, programs and funding priorities have been approved, from the beginning without coercion, by Indigenous Peoples through the mechanisms of Congress, Deliberation, Working Meetings, and Board Meetings. This direct accountability to IP & LCs is one area that distinguishes AMAN from most non-governmental organizations.

**Funding to IP & LC organizations, such as AMAN, builds broad resiliency and contributes to broader impacts**. When faced with vulnerabilities and disasters, Indigenous Peoples and Local Communities work together to help others through these difficult situations. During the COVID-19 pandemic, AMAN and IP & LCs demonstrated solidarity with farmers and workers through the Agrarian Granary Solidarity Movement initiated by the Consortium for Agrarian Renewal (KPA) and supported by AMAN. Social capital built over time within Indigenous Peoples communities and organizations such as AMAN contributes more broadly to a society faced with vulnerabilities and challenged by disasters.

**Intermediary organizations can support key roles within IP & LC-owned funds and financing**. Most important is that Indigenous Peoples hold decision-making and governance. Duties such as financial administration can pose significant burdens to organizations. Fortunately, as long as decision-making and governance are held by Indigenous Peoples, trusted intermediary organizations can support and complement organizations like AMAN by carrying out fiduciary roles. This avoids a situation where intermediaries do not carry out the aspirations and priorities of Indigenous Peoples.

Mature IPLC-owned "membership organizations" can provide solid platforms for short- to mediumterm upscaling — well-organized, mature organizations with functional internal governance, transparency, prioritization, planning, administrative, and reporting systems offer immediate opportunities for adapting financing approaches, at scale, when support is directed to their consensus-based priorities and programs.

**Donors can reach IP & LC communities effectively and efficiently with funding** when (i) administrative requirements for IP & LCs are not rigid and detailed systems as is usual with NGOs, (ii) simple but accountable mechanisms are applied so as not to burden IP & LCs with administrative demands, (iii) they invest in understanding the situation, challenges, and dynamics on the ground so that they understand the need for flexibility to make adjustments as needed or when opportunities arise, (iv) they tailor their systems to make use of creative alternatives for proposals and reports from IP & LCs, such as videos, (v) invest in the capacity and development of organizations and communities to reduce the gap between donor capacity and the capacity of Indigenous Peoples, and (vi) preferring results-oriented approaches to project design and implementation.

## Scalability

<u>Replicability</u>. Moderately low in the short-medium term. Replication would be most likely in similar contexts of well-organized IP & LC member organizations with significant institutional capacity and social capital, and within environments of relatively strong civil society organizations and media institutions. The approach for doing so would likely entail a significant focus on organizational development, with care to not attempt to influence or dilute the organization's priorities in function of the donor's priorities but rather to strengthen governance and prioritization strategies and mechanisms to support organizational alignment with the felt needs and aspirations of its members.

Still, replication of the AMAN/Nusantara model should be a priority over the medium-term. As noted above, mature member-based organizations with functional internal governance and administrative systems offer an immediate opportunity if support is directed to their consensus-based priorities and programs.

Expansion. AMAN has great potential in the short term (with current capacity) and in the medium term (e.g., the next 3 to 4 years, with capacity building). A strong governance structure is in place with well-established links to over twenty-five percent of Indonesia's population. The demand and purposes for which financing is sought is clear and transparent, allowing interested donors to self-select. The establishment of the Nusantara Fund itself should significantly increase capacity to manage and distribute funds, as well. Given the Nusantara Fund's stated objectives, financing in the hundreds of millions of USD would be required over a decade or more.

#### References

<sup>i</sup> https://foresttenure.org/gallery/Booklet%20Nusantara%20Fund.pdf

- <sup>ii</sup> World Bank. 2021. Opportunity Assessment to Strengthen Collective Tenure Rights in FCPF countries. Country Profiles: Indonesia. October 2021. Pgs 159-179.
- <sup>III</sup> One of the more widely used sources to identify Indigenous lands and land claims is the consolidated map of indigenous territories developed by BRWA (the Customary Land Registration Agency—Badan Registrasi Wilayah Adat/BRWA). BRWA has maps of indigenous territories and follows them through the customary territorial registration process, which includes the stages of registration, verification, validation, and publication. A breakdown of the current situation, as currently reported by the BWRA, shows: Total Area Claimed 21,177,525.49 ha, of which Newly Recorded Claims are 0.47% of total; Registered Claims are 81.13% of total; Verified Claims are 15.09% of the total; and Certified Claims are 3.31% of the total. See <a href="https://brwa.or.id/\_Data\_obtained\_on\_1/27/2023">https://brwa.or.id/\_Data\_obtained\_on\_1/27/2023</a>.

<sup>iv</sup> https://foresttenure.org/gallery/Booklet%20Nusantara%20Fund.pdf

- <sup>v</sup> WALHI (Friends of the Earth Indonesia) is the largest environmental movement organization in Indonesia, headquartered in Jakarta, with 28 Regional Offices in 28 provinces. WALHI consists of 491 Non-Governmental Organizations, Civil Society Organizations, Nature Lovers' Organizations and Women's Organizations. Since its establishment in 1980, it has actively encouraged efforts to save and restore the environment in Indonesia. WALHI is member of Friends of the Earth (FoE) International. WALHI has some USD 2-3 million funding. been managing per vear in Source: https://foresttenure.org/gallery/Booklet%20Nusantara%20Fund.pdf
- <sup>vi</sup> KPA (Consortium for Agrarian Reform) is the largest agrarian reform movement-based organization in Indonesia, founded in 1994 and based in Jakarta. KPA has 139 member organizations, consisting of peasants, fisherfolks, Indigenous Peoples and NGOs spread over 21 provinces with 2.5 million individual members. Internationally, KPA is a member of the International Land Coalition (ILC), as well as Member of the ILC Global Council. KPA has been managing \$2.5 million per year. Source: https://foresttenure.org/gallery/Booklet%20Nusantara%20Fund.pdf

vii https://thetenurefacility.org/article/sharing-strengths-and-struggles-at-indonesias-indigenous-led-congress/

- Viii Organizational Pillar: strengthening the management and operational capacity of the organization as well as that of its members and cadres, developing and expanding the organization at all levels, building and strengthening communication and information systems, and managing resources.
- <sup>Ix</sup> Political Pillar: encouraging changes in laws, policies, regulations and agreements at the national and local levels, to recognize and protect the rights of Indigenous Peoples, providing legal services and case handling for member indigenous communities experiencing conflicts regarding their collective rights, encouraging the expansion of Indigenous peoples' political participation, lobbying and intervening in various international forums to drive change, and achieve agreements to recognize and protect the rights of Indigenous Peoples.
- <sup>x</sup> Economic Pillar: mapping Indigenous territories, strengthening the community economy, developing renewable energy in member communities, disaster emergency response, building Indigenous producer cooperatives, building Indigenous People-Owned Enterprises (BUMMA - including cooperatives and Credit Unions), developing culture and education, developing indigenousbased forestry, and emergency response services.
- x<sup>i</sup> Socio-Cultural Pillar: identification and documentation of data on knowledge, traditional practices, innovations, rituals/spirituality, and cultural expressions including indigenous schools, rituals, Indigenous art workers, and young people returning home.
- xii AMAN. 2022. The Indigenous Peoples Alliance of the Archipelago. 12 pp. A brochure distributed by AMAN at Climate Week, September 2022.
- xiii https://www.aman.or.id/organization-document/laporan-keuangan-organisasi-per-31-mei-2022
- <sup>xiv</sup> Zulkifli, Miranti. 2022. Case Study Report Of Nusantara/AMAN Indigenous Peoples Alliance. A Case Study for the INDUFOR "Assessing Pathways For Channeling Support To IPLC Tenure Rights And Forest Guardianship In The Global South" 26pp.
- \*\* AMAN, 2022. Financial Statements as of and for the Year Ended December 31, 2021 with Independent Auditors' Report. 15 September 2022. 33 pp. <u>https://www.aman.or.id/organization-document/laporan-keuangan-organisasi-per-31-desember-2021</u>
- xvi AMAN, 2022. Financial Report as of May 31, 2022. <u>https://www.aman.or.id/organization-document/laporan-keuangan-organisasi-per-31-mei-2022</u>
- xvii AMAN. 2022. The Indigenous Peoples Alliance of the Archipelago. 12 pp. A brochure distributed by AMAN at Climate Week, September 2022.