

Project Brief

Realizing Minimum Living Standards for Disadvantaged Communities through Peace Building and Village Based Economic Development (PELAGANDONG Project)



International
Labour
Organization



Objective:

To contribute to poverty reduction and peace building process in the Maluku Province through the development of sustainable livelihoods and economic activities in selected communities. This is in synergy with the Maluku Provincial Governments' Development Strategy to provide support to potential industries and small and medium enterprises.

The project will focus on four main interconnected components:

- (i) Village organization and empowerment;
- (ii) Sustainable livelihood enhancement through education, technology transfer, and local economic development (LED);
- (iii) Peace building and conflict management; and
- (iv) Improving overall living and occupational and health conditions.

Executing Agency:

United Nations Industrial Development Organization (lead agency) and ILO

Key Partners:

- Regional Planning and Development Agency of Maluku Province
- Provincial Industrial Ministry Office
- Provincial Manpower and Transmigration Office

Duration:

3 years (2009 - 2012)

Geographical Coverage:

Ambon City, Kabupaten West dan South Seram of Maluku Province

Country Programme Reference:

Employment Targets in Medium Term Development Plan (RPJM) are underpinned by policies and programmes with emphasis on pro-poor employment growth and enterprise development.

Donor:



UN Human Security Trust Fund through
Japanese Government

Budget:

USD 2,107,527

Contact:

Tauvik Muhamad
Programme Officer
tauvik@ilo.org

Project Rationale

People of Maluku region suffered to a great extent due to ethnic, religious and group conflict occurred during 1999-2003. Conflict took toll of nearly 9,000 lives and displaced more than 400,000 people (more than 30 percent of the local population) severely affecting economic activities. People's property, business, crop, livestock, fishing boats and equipments got damaged and more than 40,000 houses got destroyed. As a result, Maluku is still one of the poorest provinces of Indonesia with highest poverty and unemployment rate in the country.

In Maluku, nearly 80 percent of the population works mostly in agriculture, fishery and in the informal economy. Daily income is uncertain and most of the time not enough to fulfill daily need of food, clothing, basic health care and children's education. Thus the people and Maluku Provincial Government (MPG) face multi-dimensional problems in stabilizing the fragile peace situation.

Therefore, to assist MPG and people of Maluku towards revitalising the economy in the region, the Government of Japan approved a three year project entitled "Realizing Minimum Living Standards for Disadvantaged Communities through Peace Building and Village Based Economic Development" through UN Trust Fund for Human Security (UNTFHS). The Project will be jointly implemented by UNIDO as lead agency and the ILO as cooperating agency in partnership and collaboration with the MPG (Regional Planning and Development Agency (Bappeda), Provincial Industrial Office, Provincial Manpower and Transmigration Office, etc.).

UNIDO is working in Maluku Province since 2005 in order to build the capacity of the MPG in peace building, conflict resolution and short term economic recovery by promoting value addition and income generating activities in Ambon and Seram islands. During Phase I (2005-06) emphasis was on the introduction of appropriate technologies and development of value added products from locally available raw materials like sagu, cajuput, coconut and bamboo.

Phase II (2007-08) of the 'Maluku Rural Economic Development Project' was funded by the Netherlands Government. During Phase II importance were given on continuation of Phase I activities as well as building capacity of the productivity groups, establishment of product outlets and introduction of technology for production of nutmeg juice, fish processing and manufacturing of bamboo furniture and handicrafts. During Phase I and II altogether 16 productivity groups were formed and 13 villages of West Seram and Central Maluku Districts benefited by different project activities.

Similarly, ILO has long standing experience of supporting local economic development (LED) initiatives in the natural disaster and conflict affected region. ILO has successfully implemented LED projects in Aceh and Papua. In addition, to improve livelihood skills of the Maluku youth, ILO is implementing a project entitled "Education and Skills Training for Youth Employment (EAST)" since 2007.

Therefore, the current project builds on success of previous UNIDO projects in Maluku and ILO's LED programme in Aceh and Papua.

Project Objectives

The project goal is to contribute to poverty reduction and peace building process in the Maluku Province through the development of sustainable livelihoods and economic activities in selected communities. This is in synergy with the MPG's Development Strategy to provide support to potential industries and small and medium enterprises.

The project will focus on four main interconnected components: (i) Village organization and empowerment; (ii) Sustainable livelihood enhancement through education, technology transfer, and LED; (iii) Peace building and conflict management; and (iv) Improving overall living and occupational and health conditions.

The immediate objectives of the project are:

- To ensure active participation of beneficiaries and stakeholders in project planning and monitoring (UNIDO and ILO);
- To organise the beneficiaries in economically oriented village groups and organisations (UNIDO);
- To help village productivity groups (produce value-added products by applying improved technology and craft skills (UNIDO);
- To assist beneficiary groups in accessing markets with improved and diversified products (UNIDO);
- To support local communities to identify and maximize their economic potential through LED initiatives leading to employment creation (ILO);
- To increase capacity of the communities to understand and manage conflict situations (UNIDO and ILO);
- To assist MPG and other institutions incorporating conflict prevention and resolution strategies as cross-cutting issue in training activities (UNIDO and ILO); and
- To ensure that the beneficiaries apply best working practice during use of equipment (UNIDO and ILO).

Major Project Activities

- Participatory assessment of village resources and opportunities and creation of a village database;
- Establishment of village productivity groups or strengthening of existing cooperatives and other groups, provision of technical training including workplace safety and hygiene, and supply of required technology and equipment;
- Assistance with respect to product marketing through training on marketing skills, product development and packaging, and with market assessments, establishment of linkages to markets and buyers, and the development of a Maluku product logo jointly with MPG;
- Strengthening of the economic capacity of local communities through LED Initiatives; and
- Capacity development of participating communities in conflict management and organisation of cultural fairs with a view to promote common social and cultural values.



will focus on LED initiatives and training on conflict management, business management and entrepreneurship development.

Target Beneficiaries

The primary target beneficiaries of the project are communities which were affected by human security issues and suffer from low socio-economic standards. Project will focus on about 20 villages of Ambon City, Central Maluku and West Seram Districts. Preference will be given to those villages where communities have received only minimal assistance from other agencies. However, project will continue supporting productivity groups in 13 villages who benefited during Phase I and II of the Maluku Rural Economic Development Project. It is expected that nearly 3,000 people will directly benefit whereas the total number of indirect beneficiaries will be around 20,000.

Keeping in view of geographical location and remoteness of target villages, project will promote utilisation of locally available resources like sagu, cajuput, nutmeg, coconut and cacao for production of high value products. Beneficiary groups will be supported with training and equipment for production of sagu flour, cajuput oil, nutmeg juice, nutmeg sweet, nutmeg jam, clove oil, smoked fish, etc. Seaweed has been identified as a prime commodity by the Government of Maluku and therefore, project will also support cultivation and processing of seaweed. In addition, appropriate technology for production of high value products from cacao and coconut will be identified and introduced.

Implementation Strategy

The Project will be jointly implemented by UNIDO and ILO. While short and long term work plans will be developed jointly, UNIDO, will take lead on problem identification and technology transfer whereas ILO

The Project Management Unit will be located at the Maluku Technology Center (MTC) in Ambon and work under administrative structure of UNIDO and ILO as well as will be responsible for day to day project management. Execution of activities will be carried out by a National Project Coordinator (UNIDO) and a Local Programme Coordinator (ILO) with the support of a UN Technical Project Advisor.

Applying a participatory community based approach; the Project will be implemented in close cooperation with Bappeda and other line departments of the MPG. At the micro level, project will ensure involvement of the local community groups from different backgrounds in terms of ethnic, religion and occupation.

A Project Advisory Committee (PAC) composed of the representatives from the MPG, Bappeda and other institutions will be established at the provincial level. The PAC will have an advisory function and will provide inputs on project implementation. It will be a forum on project related information exchange.

To avoid duplication and overlapping, the project will coordinate with other active international and local organisations in the region.

ILO Jakarta Office
Menara Thamrin Level 22
Jl. M.H. Thamrin Kav. 3
Jakarta 10250
Tel. +62 21 391 3112
Fax. +62 21 310 0766
E-mail: jakarta@ilo.org
Website: www.ilo.org/jakarta