

UNIDO-ILO Maluku Pelagandong Project

PELAGANDONG - Peace building and village based economic development and governance



Realizing Minimum Living Standards for Disadvantaged Communities
through Peace Building and Village Based Economic Development



United Nations Industrial Development Organization
(UNIDO)



Maluku Province Government
(MPG)



International Labour Organization
(ILO)

Background Information

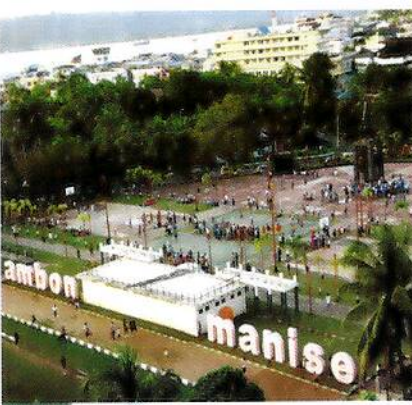
The Maluku Islands are an archipelago composed of 1,412 islands with a total population of 1.35 million. Also known as the spice islands, the vegetation of the small and narrow islands, encompassed by the sea, is very abundant, including sago, coconut and the famous spices—nutmeg, cloves and mace, among others. The ethnic composition of the province comprises of local people and immigrants from South and Southeast Sulawesi, Java and other islands.

People of Maluku region, however, had suffered to a great extent due to social conflict occurred during 1999–2003. The conflict took toll of nearly 9,000 lives and displaced more than 400 thousands people (nearly 30 % of the local population), severely affecting economic activities. The conflict also destroyed property, business, crop, livestock, fishing boats, equipments and more than 40,000 houses. Thus, Maluku remains one of the poorest provinces of Indonesia with the highest poverty and unemployment rate in the country. Although the trend of economic growth of Maluku is increasing, yet the general economic situation in the region is considered low compared to the situation in national level as well as to the other provinces.

Therefore, in order to assist the Maluku Province Government (MPG) and the people of Maluku towards revitalising the economy in the region and for building peace in the community, the Government of Japan has funded the project through the UN Trust Fund for Human Security (UNTFHS). Main goal of the project is to contribute to realizing minimum living standards for disadvantaged communities through peace building and village based economic development.

Locally, the project is known as Pelagandong Project. The meaning of Pelagandong is cooperation and brotherhood, a traditional value that has sustained for centuries in the region among communities regardless of their religious and ethnic difference.

The Project is jointly implemented by the United Nations Industrial Development Organization (UNIDO) as lead agency and the International Labour Organization (ILO) as cooperating agency in partnership and collaboration with the MPG (BAPPEDA, Department of Industry, Department of Manpower and Transmigration) and other stakeholders.



Goal and Objectives

The project has four interconnected components and objectives :

Component 1: Village Organization and Empowerment

- Beneficiaries and stakeholders participate actively in project planning and monitoring
- Beneficiaries organize themselves in economically oriented village groups and organization.

Component 2: Sustainable Livelihood Development through Education and Technology Transfer

- VPGs produce value-added products by applying technology and craft skills
- Beneficiary groups access market with improved and diversified products
- A LED process permits local communities to identify and maximize their economic potential

Component 3: Peace Building and Conflict Management

- Communities have increased capacity to understand and manage conflict situations
- MPG and other institutions incorporate conflict prevention and resolution strategies and mechanisms as a cross cutting issue in all training activities

Component 4: Improving Overall Living and Occupational Safety & Health Conditions

- Beneficiaries apply best working practices and utilize equipment safely

Target Locations

Project activities are being implemented in 21 villages of Ambon City, West Seram and Central Maluku Districts. The Project target locations were selected after a series of workshops and consultations with the stakeholders at province, district and village level.



**Locations of Project Villages in Ambon and Seram Island
UNIDO-ILO Maluku Pelagandong Project**

Progress as of March 2012

- Participatory resource assessments were conducted in all the 21 village locations in three districts.
- Altogether 239 village productivity groups (VPG) have been established of which 84 groups are located in Ambon Island and 155 groups are in Seram Island villages. Each group consists of about 15 members therefore; total number of direct beneficiaries is about 3,570.
- In Ambon Island, the VPGs focus on value added products such as nutmeg juice, pineapple juice, cassava chips, gepe, banana chips, spinach chips, babenka, sago cakes and cookies, abon ikan, palm sugar and organic vegetable production. Whereas, in Seram Island, the VPGs are engaged in cultivation of seaweed and the production of copra, cacao, wet sago, vegetable, resin, cajuput oil and virgin coconut oil.
- A diagnostic study of existing traditional village organizations and clan structures was conducted to understand the role and functions of traditional community based institutions and organizations; to investigate resilience of various systems and to understand traditional system of inter-village alliances called Pelagandong.
- A rapid market assessment was conducted to identify market opportunities for selected commodities with emphasis on finding out local value chain, identify available processed products, potential buyers, information on purchasing requirements with respect to the product quality, quantity, frequency and pricing.
- Altogether 1,684 beneficiaries (588 women) have been trained on group dynamics and cooperative management with major emphasis on group dynamics, team building, problem solving, setting group norms, fundamentals and principles of a cooperative organization, preparing by-laws, work planning and goal setting, time management, handling failure and deadlocks, etc.
- To build the capacity of the beneficiaries on business management, trainings provided on basic entrepreneurship skills using Start Your Business (SYB) modules. Main objective of the training was to train beneficiaries on developing business ideas, being a successful entrepreneur, book keeping and issues related to marketing and preparing business plan. Altogether 1,385 beneficiaries (875 female) here trained on basic entrepreneurship skills.



- Altogether 2,532 beneficiaries (958 women) have been trained on production and processing of various value added products. Trainings were conducted by the trainers and resource persons from BARISTAND-Ambon and De-partment of Industry and Trade, Maluku Province Government (MPG).
- After the training, each group received a set of basic equipments to start production and processing of the products selected. Also a token sum of IDR300,000/- was given as start-up capital to each group.
- To give an identity to the Maluku products and for promoting products produced by the VPGs, a product logo has been developed in close cooperation with the Maluku Provincial Government and other stakeholders. The logo will play an important role in strengthening promotion and marketing of the quality products of Maluku within and outside the province. By seeing the logo, people will be reminded that the products are the original products of Maluku made by the local communities.
- A workshop on seaweed development in Maluku was jointly organized by UNIDO, ILO and MPG to deliberate on plan and milestones set by the MPG for the development of seaweed sector in Maluku.
- Seaweed resource assessment was conducted in the West Seram District to find out suitability of total area suitable for seaweed cultivation and to discuss with the communities issues and problems related to seaweed cultivation.
- Project has introduced solar drying technology for drying cacao seeds in Seram Island villages. Altogether 113 solar dryers have been constructed and tested in different target villages. It is planned to distribute more solar dryers among cacao groups. Copra groups were supported with improved concrete dryers for copra production.
- Project has established and supported 22 seaweed groups in the West Seram District. Each group consists of 10-15 members. After training on seaweed production, each group was given a set of tools and materials (wooden boat, nylon ropes, anchors, floats, tarpaulin sheet, knife, scissor, etc.) and 400kg of seedlings for starting seaweed production.
- Cost-benefit analysis was conducted for the products produced by the Ambon Island groups to find out break even point and profitability of the products.





- Beneficiaries are also supported with packaging materials, designing and printing labels as well as obtaining PIRT certificate from the Health Department. Improved labels and PIRT certificate will help groups market their products at bigger scale through mini mart and super markets.
- Project is assisting establishment of associations and cooperatives of the juice and chips groups so that they can have better marketing approach and prepare a common plan for purchase of packaging and other materials.
- Three Project Advisory Committee (PAC) meetings were conducted since project inception in 2009. Main purpose of the meeting was to update stakeholders about project progress and present future work plan for their endorsement.
- Five hand tractors were distributed for the vegetable groups in Yafilla, Layeni, Seriholo, Hunitetu and Hanunu villages. A committee has been set-up in each village to manage and look after use and maintenance of hand tractors. Altogether 58 committee members were also trained on repair and maintenance of the hand tractors.
- Altogether 358 group leaders (123 women) have been trained on leadership skills and conflict management.
- Local economic development (LED) workshops were conducted to introduce LED concepts among the stakeholders at district and province level. This concluded with establishment of LED Forums in each districts.
- A study tour for key members of the LED Forums to East Java was conducted visiting Surabaya, Sidoarjo, Pasuruan and Malang districts to provide an opportunity to see and experience the successful programs of the East Java LED Forums.
- To promote occupational safety and health (OSH), orientation workshops were conducted in the nine target villages to reduce work injuries and illnesses, increase awareness of the local communities on workplace safety and sanitation and improve environment friendly work place. Altogether, 481 participants attended the orientation program of which 261 were women.
- OSH assessment was conducted for 32 productivity groups in 21 villages to find out OSH conditions. This will follow with trainings on WISH (Work Improvement for Safe Home) program for home industry and WIND (Work Improvement in Neighborhood Development) during 2012.
- A cultural festival was organized in Hukurilla village, South Leitumur Sub-district of Ambon City District. The festival was attended by more than 1,000 people, including 10 international tour agents from the Netherlands. During the festival, local communities from seven villages demonstrated various captivating traditional products arts and music.

- Based on participatory mapping 69 community-based tourism sites have been identified, ranging from beaches, waterfalls and fruit gardens to historic objects, local culinary and arts. To promote these potentials, tourism profile have been developed and distributed to travel agents and other relevant partners as part of the promotion of the community-based tourism.
- A study visit was conducted for the key stakeholders (16 participants) from Maluku Province to learn best practices of community micro saving and lending scheme in Jember district of East Java.
- Workshop on the adoption of MFI Jember in the context of Maluku was jointly conducted with the Woman Empowerment Unit of the HRD Bureau of Maluku Province and participated by 60 persons from Bappeda, cooperative and women office of 11 districts. All districts are suggested to adopt Jember MFI model in form of Woman Microfinance Institution (WMFI).
- MFI trainings were conducted in the 10 selected villages by Cooperative staffs of Jember and co-facilitators from Ambon, West Seram and Central Maluku. The objective of the training was to capacitate village woman groups on microfinance administration and lending simulation between staff and clients. The MPG has allocated IDR 450 million for supporting 10 MFIs in Maluku.
- A series of conflict assessment workshops in the six project villages (Tial, Suli, Lokki, Ketapang, Saleman and Horale) were conducted in cooperation between the ILO and Tifadamai 'a local peace agent'. Based on the assessment, underline caused of conflicts and other issues related to peace situation were documented.
- A conflict early warning and early response system (CEWERS) training was conducted in cooperation with the Tifadamai to equip community leaders in detecting and managing conflict. The training was participated by 25 community leaders from the 10 selected areas.
- A peace festival management workshop was conducted to capacitate the LED forum members in organizing peace festivals. The peace festivals will consists of cultural performance and local economic activities promotion.
- The Ambassador of Japan visited project villages in early February 2012 to get first hand experience of the ground situation and expressed full satisfaction about project progress and achievements.
- Project beneficiaries participated in various local and national level exhibitions and expo to show case their products and develop linkages with potential buyers.





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