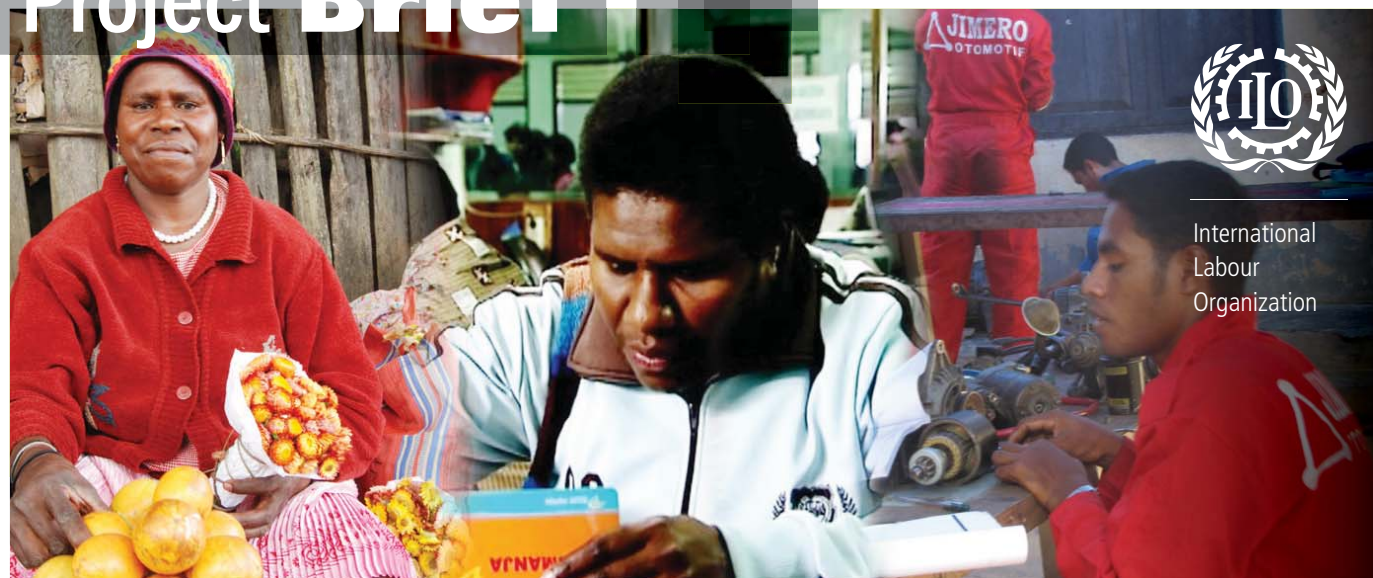


# Project Brief



## People centered Development Programme (PcDP) Phase II: The Implementation of Institutionalizing Sustainable Livelihood Development for Papuan Communities

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Objective</b>                   | To improve community welfare, in particular of indigenous Papuans through the functioning of local Government and civil society basic systems and processes for sustainable livelihood development In Papua Region.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Key Partners</b>                | <ul style="list-style-type: none"> <li>■ Governors and Head of Districts</li> <li>■ Regional Planning and Development Agency (Bappeda) of Papua and West Papua Provinces</li> <li>■ Provincial Community Empowerment and Family Planning Agency (BPMK) of Papua and West Papua Provinces</li> <li>■ Provincial Ministry of Manpower and Transmigration of Papua and West Papua Provinces</li> <li>■ Bank of Indonesia and Local Banks</li> <li>■ Cendrawasih University and Ottow Geisler University in Papua Province and Papua State University (UNIPA) in West Papua Province</li> <li>■ Local Communities Organization and Communities-Based Organization</li> <li>■ Credit Union Sinar Papua Selatan (Microfinance Institutions)</li> <li>■ Chamber of Commerce (KADIN), the Indonesian Employers' Association (Apindo) and Trade Unions</li> <li>■ Provincial House of Representatives</li> <li>■ Local Mass Media</li> </ul> |
| <b>Duration</b>                    | 1.5 years (2012 – 2013)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Geographical Coverage</b>       | Papua and West Papua Provinces                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Country Programme Reference</b> | Employment Targets in Medium Term Development Plan are underpinned by policies and programmes with emphasis on pro-poor employment growth and enterprise development.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Donor</b>                       | <br>New Zealand's International<br>Aid & Development Agency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Budget</b>                      | USD 685.865.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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## Project Rationale

'Tanah Papua', which comprises Papua and West Papua province, is the Indonesia's largest but most sparsely populated region with 3.6 inhabitants, consisting of more than 250 tribes and ethnic group (2010 BPS Census) with at least 73 per cent of the indigenous Papuans living in the rural areas.

Despite the fact that the region is blessed with enormous natural resources, its poverty rate is more than double the national average and the highest of the country at 34.88 per cent for West Papua and 36.80 per cent for Papua. Papua and West Papua also lag behind other provinces on key non-income indicators of the MDGs.

The enrolment rate in primary education is around 90 per cent for West Papua and 76.09 per cent for Papua (national rate is at 95.23 per cent). Gender inequality is particularly strong in traditional patriarchal communities in terms of (a) women's limited access to resources and to decision making, as well as (b) gender division of labour. This situation translates into a restricted access of Papuans indigenous youth and women to a decent livelihood.

To accelerate the human development process in Papua, the Government of Indonesia granted a special autonomy status to the province (Otsus). Its full implementation has been delayed due to limited civil society participation and lack of capacity and coordination between national, provincial, and district level institutions, which has led to the absence of an inclusive framework for developing sustainable livelihood.



## Project Objectives

The project will contribute to the second phase of the UNDP People Centred Development Project Output 3 "Improved community welfare, in particular indigenous Papuans through the functioning of local Government and civil society basic systems and process for sustainable livelihood development in Papua regions". The proposed of intervention will also complement other outcomes of the PCDP 2 namely participatory approach to policy making and plans, improved delivery of health and education services, improved coordination mechanism for development of the Papua region.

The project will focus on improving capacity of the existing stakeholders, including indigenous Papuan people as target beneficiaries to have an access for a better livelihood through three interconnected components:

1. Support potential local business development in Papua and West Papua;
2. Facilitation of access to finance to selected local business groups; and
3. Establishment of Micro-Enterprise Development Centre/Incubation Initiative.

## Target Beneficiaries

The primary target beneficiaries of the project are communities particularly Papuans indigenous peoples located in eight targeted districts: six districts in Papua (Jayawijaya, Yahukimo, Yappen, Mimika, Boven Digoel, and Sarmi) and two districts in West Papua (Manokwari and Fak-fak)

## Major Activities

Using lessons learned and experiences gained as well as local networks and partners developed through the past ILO's project interventions in implementing livelihood activities under PIPE (Papuans Indigenous Peoples Empowerment) Project, EAST (Education and Skills Training) Project and ESD (Entrepreneurship Skills Development) Project in Papua, the major project activities will include:

- To facilitate the linking of selected local business with potential agencies who can provide the technical skills for added value products (post production processing);



Kampung/BPMK), and the cooperative office to conduct socialization activities on financial inclusion, research activities related to microfinance institutions (MFIs), market supply chain and business incubation; and conduct trainings on micro enterprise development in Papua and West Papua;

- Partnership with Bank Indonesia Papua and West Papua Regional Office in undertaken Series of Training for Piloting and Strengthening five

Enterprise Development

Centres (Business Development Services Provider) in five pilot districts (Papua and West Papua), using the ILO Entrepreneurship Module (GET Ahead and Financial Education for Family). The five pilot districts consist of three districts in Papua (Jayawijaya, Boven Digoel and Sarmi) and two districts in West Papua (Manokwari and Fak-fak);

- A total of 23 participants (13 males and 10 females) from three local universities (Cendrawasih University and Ottow Geisler University in Papua and Papua State University (UNIPA) in West Papua) participated in an induction and knowledge sharing workshop, aimed at strengthening the capacity of local researchers on microfinance, micro-enterprise development and community empowerment;
- Conducted a series of mapping and assessment activities on Access to Finance and Enterprise Development in two provinces and eight districts. The research was undertaken by the project in partnership with the Bank of Indonesia, UNDP, and the Provincial Governments of Papua and West Papua; and
- A total of 372 people (230 males and 142 females) actively participated in a cross-sector workshop on mapping financial institutions and enterprise development in eight targeted districts in Papua and West Papua.

- To conduct training micro-enterprise development, finance management, and marketing;
- To map private/public banks and other financial institutions that provide micro finance support;
- To conduct feasibility assessment of access to finance support;
- To assess existing institutions and their capacity for enterprise development;
- To undertake a study on the needs of women entrepreneurs;
- To formulate clear methodologies, curriculum, and training programmes for supporting enterprise development;
- To conduct value and supply chain mapping analysis;
- To conduct a business climate and investment survey at provincial level;
- To conduct a labour diagnostic; and
- To piloting the enterprise development center at selected sub provinces.

## Achievements to Date

- Partnerships with the Bank of Indonesia, the provincial planning development agency (Bappeda), Rural Community Empowerment Agency (Badan Pemberdayaan Masyarakat