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Indonesia: Citizen Monitoring for Transparency and Accountability of Licensing and Revenue Management in Mining Sector (P163797)

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STAKEHOLDER ENGAGEMENT PLAN

August 2020

Disclaimer

This SEP is a draft document, which is subject to further consultation with relevant stakeholders during project implementation.

August 2020

DRAFT – STAKEHOLDER ENGAGEMENT PLAN (SEP)

1. INTRODUCTION/PROJECT DESCRIPTION

The project of “Citizen Monitoring and Engagement for Transparency and Accountability of Licensing and Revenue Management in Mining Sector” has the objective to contribute to improving the management and governance in the mining sector at the subnational level in select provinces in Indonesia through collaborative social accountability mechanisms. The project will be measured by the a) percentage of problems in the licensing systems identified and followed up through the project’s Multi Stakeholders Forums (hereafter MSFs) and b) percentage of problems in revenue management identified and followed up through the project’s MSFs.

The project will be implemented in three mineral-rich provinces in Indonesia, including Aceh, East Kalimantan and Southeast Sulawesi. In each targeted province, engagement with related stakeholders will be established in the form of MSFs. PWYP Indonesia will also build a partnership with CSOs partners (member of the PWYP Indonesia coalition) and sub-national government counterparts in each province.

The project aims to contribute to improving the management and governance in the mining sector through through collaborative social accountability mechanism with the three mains components:

Component 1: Capacity-building for collaborative social accountability. The objectives of this component are: (i) to develop a citizen feedback mechanism for the systematic collection of feedback on services and local actors, (ii) to discuss and validate this mechanism with relevant institutions, and to agree on a collaborative framework for its implementation; and (iii) to build project partners’ capacities to carry out the monitoring. The mains activities of component-1 including conducting stakeholder analysis, facilitate series of community discussions, and providing series of training for developing stakeholder capacities on social accountability tools on mining licensing reforming, budget analysis and monitoring, as well as training on using ICT Tools for citizen feedback and participations.

Component 2: Implementing collaborative social accountability mechanisms to contribute to strengthening the mineral licensing system, environmental oversight and mining revenue management at the provincial level. The main activities would be carrying out scoping study, conducting stakeholder scorecards, facilitating multistakeholder forum (MSFs) on developing recommendations that contribute to improving mineral licensing system and good

governance, and pushing transparent and effective mining revenue collection and management system.

Component 3: Improving knowledge and learning on social accountability in the mining sector at the provincial level. The objective of this component is to establish an internal adaptive knowledge and learning process to regularly adjust project implementation based on experience and contextual circumstances, and to generate knowledge and learning for targeted external dissemination and sharing amongst key stakeholders that may take up lessons from the project to apply, sustain or scale collaborative social accountability and/or inform substantive decisions.

2. PREVIOUS STAKEHOLDER ENGAGEMENT ACTIVITIES

PWYP Indonesia (National Secretariat) has worked in collaboration with its members in the targeted provinces. The CSO partners chosen in the targeted areas are among the members of PWYP Indonesia coalition. Exchanges, consultations and knowledge sharing between the National Secretariat and the members are routinely conducted as part of the responsibility of the National Secretariat. Specific coordination was conducted in the phase of drafting the proposal and will continue in the preparation of the recommendations and the MOU with the local government.

The National Secretariat and the CSO partners have had a previous exchange and communication with government representatives of the targeted provinces on mining issues. In the target provinces, the Provincial governments has requested PWYP's assistance to provide recommendations for better governance and capacity improvement in the mining sector. Along with KPK and Ministry of Energy and Natural Resources, PWYP was being part of the Coordination and Supervision Team for energy and mineral and coal mining sector, conducting supervision in 12 mining producer provinces, in around 2014-2018. In along 2018-2020, PWYP Indonesia has given training to the provincial ombudsmans and local department of energy and mineral resources (Dinas ESDM) on how to calculate and assess the rehabilitation and post mining funds, identify and disclose the beneficial ownership of corporation, as well as training on economic valuation of extractive industries sector at minimum 7 provinces (Aceh, Sumbar, Sumsel, Kaltim, Kaltara, Sulteng, Sultra).

3. STAKEHOLDER IDENTIFICATION AND ANALYSIS

The following Table 1 provides brief stakeholder identification and analysis on:

- 1. The degree of importance, i.e. who stands to lose or gain significantly from the project;*
- 2. The degree of influence, i.e. whose actions could potentially affect the project's success.*

The grouping of the above stakeholders is based on their respective degree of influence and importance to the achievement of the project's objective. The Provincial government agencies, in particular, the Provincial Mining and Energy Agencies, play a critical role in mining licensing and awards following the enactment of Law no. 23/2014 which transfer the key roles of mining licensing from the district to the province. This law also elevates the role of provincial parliaments in this sector, who in this case represent the people in their respective jurisdictions. Their roles are particularly important in terms of policy and regulatory advocacy as well as holding the executive government accountable in view of their performance on mining licensing and revenue management. Communities within mining concessions, including landowners, are one of the most important stakeholders for the operation as the project seeks to enable two-way feedback loop as part of the bottom-up accountability exercise. Landowners and/or communities where mining concessions are located may have bargaining power with concession companies although lack of information and social disenfranchisement due to different interest groups or local politics may at times prevent from such an exercise of power.

Each of the above stakeholder is classified into the following groups:

3.1. Target Stakeholders (Directly Affected Parties)

The target stakeholders are included in the category A of stakeholders. These include local CSOs (implementation partners), provincial government partners, local parliaments, mining companies/association in the targeted province, people surrounding mining areas within the mineral producing districts, landowners and communities within mining concessions, NGOs with concerns in mining-environmental and budget issues in the targeted provinces, local institution/body on licensing/permit systems such as BKPMD-PTSP & OSS. Multi-stakeholder Forums (MSFs) will be supported by the project as a platform to discuss various issues, regulatory gaps and enforcement, citizen feedback and potential solutions. The MSFs will involve these target stakeholders.

- *Local CSO* (implementing partners) play an important role in connecting the government authorities and people in mining areas and will make sure that the project can be implemented in the targeted provinces and including districts. CSO partners will be in charge of organizing the Multi-stakeholder Forum, designing and conducting the social audits tools (stakeholder score cards), as well as developing Capacity building and technical assistance to be provided during the project.
- *Provincial government counterparts, particularly the Provincial Energy and Mining Offices at the subnational and national levels* will play important roles in policy making, issuing and implementing the regulations. Bureaucratic culture requires an intensive approach and communication with the provincial government. Therefore, the project will begin with a mutual agreement with the head of mining office in the targeted province.
- *Local parliament* represents the people in the targeted province, hence it is important to raise their awareness of transparency and accountability of mining licensing and revenue management given the parliament oversight/monitoring roles. Their engagement is important to support the advocacy towards the provincial government to ensure their commitment, as well as assessing and improving the executive (local government) performance on mining and revenue governance.

- *Mining companies/association* in the targeted province will benefit from transparency and accountability at the provincial level. A company with proper management can get the trust of the community and will benefit from these activities, while companies with poor governance might not get benefits or consider the project activities as a threat to their activity. As part of the on-going stakeholder mapping and analysis, the project will consider all of these aspects and will invest intensively in developing positive dialogue and engagement with all companies. This will require the design of a multi-layered engagement approach to influence decision-makers of the company as well as shareholders. Such a multi-layered approach is critical since companies' owners and shareholders are usually based in Jakarta where their headquarters are located, while actual operations are conducted and coordinated on-site. Engagement at the provincial level can help raise companies' awareness of the conditions of their on-site mining operations, as well as surrounding communities and how these may have influence on their reputation and relationships with all stakeholders, particularly communities and local governments. A stakeholders mapping and analysis will look into the existing Corporate Social Responsibility and Sustainability initiatives and explore ways to link their activities to the project activities.
- *People surrounding mining areas* and near districts within the mineral producing provinces will be the main target stakeholders. They are expected to benefit from mining transparency and accountability. With enhanced access to information the project seeks to promote, these stakeholders can plan and anticipate losses due to the mining operations located in their area and hence, make informed decisions on potential consequences and benefits. Engagement with these stakeholders is core to the project as it seeks to enhance citizen participation and collaborative social accountability hence, they will be the main priority. Within this category, vulnerable groups, including Indigenous Peoples and/or *Masyarakat Adat* will require tailored engagement approaches to ensure meaningful participation. Further measures are further elaborated in **sub-sections 3.3 and 4.4**.
- *NGOs with concerns in mining-environmental and revenue management issues in the targeted provinces* will benefit from the project. Training and capacity building activities will improve and support collaboration between stakeholders for improved mining governance and prevent environmental degradation and conflicts in the future.
- *Local Institution/body in charge of licensing/permits system such as BKPM-DPTSP & OSS* in the targeted provincial area will be the first targeted public institution in terms of implementing regulations and mechanisms for mining licensing/permits award – which are in-line with transparency and accountability standards that will be promoted by this project.
- Ministry of Energy and Mineral Resources is the main actor in terms of policy making and in charge of license management, particularly for mining licensing across provinces. The Ministry also holds the oversight function of mining activities both at the central and regional administrative areas through their extended arms from the technical official staff (Mining Inspectorate).

Indirectly affected parties mostly include those in in the Category C, namely the district governments within the targeted provinces; central government ministries (i.e. Ministry of

Internal Home Affairs and Ministry of Environment and Forestry); National Institution/Body on Licensing (BKPM-PTSP & OSS); Quasi/oversight body such as the Ombudsman, Information Commission, Extractive Industries Transparency Initiatives (EITI), Open Government Partnership (OGP), and Anti-Corruption Commission (KPK) at the national level; as well as Mineral and Coal Mining Association at the national level. The stakeholder mapping and its analysis will be periodically updated by the project to capture changing contextual factors that might impact the categorization of stakeholders.

- *The district government within the targeted provinces* no longer have the authority in the mining sector since the enactment of the Law 23 on Local Governments in 2014. However, because the social and economic impacts of mining operations are more strongly experienced at the district level, and in addition, revenue sharing from the mining sector is distributed at the district and village levels, it is crucial to establish channels for continuous exchange and communication to keep providing information to the relevant district governments.
- *The Central Government (Ministry of Internal Home Affairs, and Environment and Forestry) and national institution/body on licensing (BKPM-PTSP & OSS)* are not directly involved, but may be impacted by decisions made at the provincial level. Therefore, the project will promote sustained communication with the central government agencies, particularly in anticipation of possible changes in national mining sector policies (i.e. adoption of the Omnibus Law).
- *Quasi/oversight body such as Ombudsman, Information Commission, EITI, OGP, and Anti-Corruption Commission (KPK) at the National Level* are not directly involved in the project, but will influence policy processes and enforcement. These stakeholders will be involved in the exercise to identify the policy, regulatory and enforcement gaps and mainstream a multi-stakeholder approach at the national level to encourage governance improvements in the mining sector.
- *Mineral and coal mining associations at the national level* are not directly involved in the project, but have an important role to influence policy processes and advocacy in coalition with other stakeholders.

3.2. Other Interested Parties

Other interested parties are included in the Categories B and D of the stakeholder mapping. These include parties who are not directly involved nor affected by the project, such as citizens in the non-producing districts within the targeted provinces; academic community in the targeted provinces; quasi/oversight body such as Ombudsman and Information Commission and media in the targeted provinces; citizens in other mineral producing provinces; media at the national level; academic community at the national level; advocacy NGOs/CSOs, including Adat organizations (i.e. Indigenous Peoples Alliance of the Archipelago/AMAN, the Indonesian Forum for Environment/WALHI, Participatory Mapping Network /JKPP, etc.), international development institutions, etc. The Stakeholder mapping and its analysis has been conducted initially for the purpose of this SEP and will be periodically updated during project implementation to capture changing contextual factors that might impact the categorization of stakeholders.

3.3. Disadvantaged/Vulnerable Individuals and Groups

Within the category of people surrounding mining areas and near districts within the mineral producing provinces, there may be segments of the communities who are vulnerable. Vulnerable stakeholders are part of citizens who reside in surrounding mining areas and are directly impacted by mining activities. However, they have very limited access to information and this is caused by different aspects including poverty, level of education, lack of access to land and poor public facilities to support their activities. In addition, lack of legitimate claims over rights to voice views and concerns may also constitute vulnerability considered under this project (in the case of unrecognized Indigenous Peoples/*Masyarakat Adat* and landless communities).

Potentially disadvantaged/vulnerable individuals and groups for the purpose of SEP implementation consist of:

- Women groups
- Indigenous Peoples and/or *Masyarakat Adat*
- Remote communities
- Poor households, including those non-land owning/landless groups

Visits to these vulnerable stakeholders and direct dialogue will be the main means to engage them in the project. As part of this SEP, measures to ensure meaningful and inclusive engagement with these vulnerable groups have been included and further detailed in **Section 4.4**.

3.4. Summary of Project Stakeholders Needs

Level	Stakeholder group	Key characteristics	Language Need	Preferred notification means	Specific needs
District	People surrounding mining area	Living nearby mining area, depend on mining sector as unskilled labour or depend on farming/plantation as their livelihood	Official language, traditional language	Visits, local radio, written chat message, written information/newspaper.	Late afternoon preferred time for meetings (to avoid conflict time with their working daytime in farming)
	Women groups	Woman who support family and living nearby mining area, may potentially bring children in the meetings	Official language, traditional language	Visits, local radio, written chat message, written information/newspaper .	Daytime meeting, provisions for child care during meetings
	Indigenous Peoples (Adat Communities)	Living nearby mining areas, may be in remote areas, possess indigenous	Official language, traditional language	Visits, local radio, written chat message, written	Culturally appropriate meetings in consultation

		characteristics as per ESS 7		information/ newspaper	with customary leaders
	Village Government	Head of village, village council, and residential head (RT – RW).	Official language	Visits, local radio, written chat message, written information/ newspaper.	Formal and informal meetings
	District Government	Development Planning Agency (BAPPEDA), Dinas ESDM, DPKAD (Sub-national Financial and Asset Management Agency), Environmental Agency (DLH).	Official language	Visits, letter, email, instant message/chat, phone	Formal meetings
Province	CSO partners	Lead the project in the province	Official language	Email, instant message, phone	Routine meetings and coordination, reporting/log book
	Provincial Government	Governor, Mining office, Economic development office (BAPPEDA), Dinas DPKAD, BKPMPTSP/OSS	Official language	Visits, letter, email, instant message, phone	Formal meetings
	Local parliaments	Commissions related to mining and land issues	Official language	Visits, letter, email, instant message, phone	Formal meetings
	Local NGOs	About 4-6 NGOs in each province that had experience working with people on mining and environmental issues, understand locations of mining and forest area.	Official language	Instant message group, email, instant message, phone	Informal meetings
National	Mining companies	Hold mining licenses on exploration and production	Official language, English (as relevant)	Website, letter	Formal meetings
	Central government (Ministerial and Institution/Body)	MEMR, CMMAI, KPK, EITI Indonesia, the Ombudsman, Information Commission, Ministry of Environment and Forestry	Official language, English (as relevant)	Website, letter, meetings	Formal meetings

4. Stakeholder Engagement Program

4.1. Purpose and Timing of Stakeholder Engagement Program

The SEP seeks to define a technically and culturally appropriate approach to information disclosure, consultations, as well as inclusive measures for engagement with vulnerable groups. The purpose of SEP of this project is to improve and facilitate engagement, decision making and create a conducive atmosphere for mutual collaboration and engagement with directly and indirectly project-affected stakeholders, interested parties, and vulnerable groups, in a timely manner, and provide them with sufficient opportunities to voice their opinions and concerns that may influence the project achievements.

This SEP implementation is embedded within the project components, hence the schedule for the stakeholder engagement activities follows the different phases of the project's implementation milestone and timeline.

SEP implementation will be conducted during project preparation and will be maintained throughout project implementation, including during its implementation at both national and sub-national (province, district, village). Initial engagement with sub-national stakeholders will commence following selection of partner CSOs. These partner CSOs will be responsible to lead engagement with target stakeholders, including communities within and surrounding mining areas.

The SEP will also be implemented as part of dialogues for policy reform and innovations, in designing and conducting community scorecards, as well as in knowledge exchange of lessons-learnt and good practices. The specific timeline for SEP will be fully in line with project phases.

Multi-stakeholder Forums (MSFs) at the provincial level will be established as part of the project following its effectiveness. The MSFs comprise local government, private sector, citizens, and CSOs representatives and will be organized as a platform for dialogues and exchanging views and information on standards of transparency and accountability in the mineral licensing system and revenue management.

Engagement activities through the MSFs include:

- A participatory diagnostic and scoping study to consolidate and publicize the existing rules, regulations and processes for awarding and enforcing mineral licenses in targeted provinces;
- Discussion among stakeholders on improving the governance for awarding mineral licenses, keeping records, and making information about them publicly available;
- Public policy discussions to discuss the scoping study results and recommendations for improvement of mining licensing system;
- Public discussions to understand how mining revenues are derived and used to deliver social and environmental services;
- Community scorecards to triangulate information generated through pilots and to provide additional information on the revenue management and its allocations at the local until village/community level;
- Public discussion to raise awareness and deepen understanding of the scale of mining operations related to revenue resulting from mining activities;

- Capacity building and technical assistance to strengthen local communities' monitoring capacity and to support them in understanding the data and standards developed by the project;
- Knowledge sharing on lessons-learnt and good practices developed by the project.

4.2. Proposed Strategy for Information Disclosure

Components	List of information	Methods proposed	Target stakeholders
Licensing processes	The existing rules, regulations and processes for awarding and enforcing mineral licenses	Website, radio dialog, newspaper, brochures, dialogue/socialization	Citizens/communities, Mining companies, CSOs, local government
	Minimum requirement and services standard, due diligence mechanism, as well as grievance and handling mechanism.	Website, on location information, online-registration system, dialogue/socialization	Mining company, citizen/community in surrounding mining areas, CSOs, related stakeholder
	List of contracts and licenses that are released by Government based on area	Website of Regional Government, Website of Company, Website of Central Government, dialogue/socialization	Citizens, communities surrounding mining, researchers, NGOs, media, industry supply-chain, and other related stakeholders
Revenue management	Local revenue sharing/DBH, local taxes or retributions	Website, local radio news and dialog/socialization, poster community, on location/offshore announcement	Citizen, local government, CBOs, CSOs
	Social services and/or provide budget for environment rehabilitation of post mining areas	Website, local radio news and dialog/socialization, poster community	People surrounding area, citizen, local government, mining companies, CBOs, CSOs
Knowledge and learning	Knowledge and lessons learned from the project	Manuals, documentary films, book/policy brief, report, media briefings and/or press releases, dialogue/socialization	Citizen, government, CSOs

4.3. Stakeholder Engagement Plan

Project Components	Topic of consultation	Method used	Target stakeholders	Responsibilities
Licensing processes	A participatory diagnostic and scoping study on identifying procedures vulnerable to supply	Interview, questionnaires, focus	Provincial government, private sector, CSOs, CBOs	Program Manager Research Manager

	chain, capacity gaps, duplications, and regulatory inconsistencies.	group discussions (based on needs)	and NGOs in mining and forest issues	
	The scoping study results and recommendations for improvement of mining licensing system	Public policy discussions (2 times)	Provincial government, citizens, CSOs, NGOs, CBOs, private sector, and local media	Program Manager
	Mineral licensing disclosure guidelines, oversight standards, and adoption by government authorities	Multi-stakeholder forums (MSFs) discussions (based on needs)	Provincial government, citizens, CSOs, NGOs, CBOs, and private sector	Program Manager
Revenue management	Understanding how mining-derived revenues, and triangulating information generated	Participatory methods, Community scorecards	provincial government authorities, citizens, CSOs, and private sector	Program Manager Research Manager
	Strengthening the capacity to implement budget analysis tools; formulate policies to improve transparency of mining revenues	Technical assistance	Citizens, CBOs, and CSOs	Program Manager
	Awareness and understanding of the scale of mining operations related to revenue from mining;	Public discussion	Provincial government, citizens, CSOs, NGOs, CBOs, private sector, and local media	Program Manager
	Strengthen monitoring capacity and understanding the data and standards developed by the project	Capacity building and technical assistance	Local communities surrounding mining area, NGOs, CBOs, CSOs	Program Manager

4.4. Engagement with Indigenous Peoples and other Vulnerable Groups

Meaningful engagement with Indigenous Peoples and vulnerable groups requires an understanding of their levels of acceptance to the project activities and barriers to participation. Given the heterogeneity of Indigenous Peoples and vulnerable groups in the targeted provinces, a preliminary screening and prior engagement with community representatives, local organizations and/or trusted interlocutors will be made by implementing CSO partners with PWYP focal points. Such preliminary engagement seeks to foster social acceptance and trust and at the same time, identify specific needs, opportunities and constraints that will inform consultation and engagement approaches. Additional measures, including outreach and tailored information dissemination and consultations and use of local networks are warranted to enable inclusive and meaningful participation.

Indigenous Peoples and/or Masyarakat Adat: the term “Indigenous Peoples (or as they may be referred to in the national context using an alternative terminology) is used in a generic sense to refer exclusively to a distinct social and cultural group possessing the following characteristics in varying degrees: (a) Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by others; and (b) Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; and (c) Customary cultural, economic, social, or political institutions that are distinct or separate from those of the mainstream society or culture; and (d) A distinct language or dialect, often different from the official language or languages of the country or region in which they reside. In the context of Indonesia, these communities are often being referred to as *Masyarakat Adat* (Customary Communities), *Masyarakat Hukum Adat* (Customary Law Communities), *Komunitas Adat Terpencil* (Isolated Customary Communities). *Masyarakat Adat* refers to all communities with customary claims, regardless of formal recognition and hence, is used for the purpose of this SEP to enable broader coverage and inclusion.

PWYP will inform the World Bank the exact locations where community consultations will be undertaken and indicate if Indigenous Peoples and/or *Masyarakat Adat* are present in those location on the basis of screening using the identification criteria under the ESS 5. PWYP social focal point will assess implementing partners’ capacities for engagement with these communities and provide technical support as needed to ensure identification of appropriate channels for information disclosure/dissemination and engagement as well as trusted interlocutors in the communities.

In terms of affirmative measures, outreach and facilitation will be provided to promote participation of Indigenous Peoples and vulnerable groups to voice their opinions and any potential concerns related to mining activities in their environments. Such outreach and facilitation efforts will need to be made in consultations with community representatives and/or trusted interlocutors, facilitated by implementing CSO partners and with support and oversight from PWYP Environmental and Social Focal Points. Such measures will need to be reflected in project implementation workplans prepared by implementing partner CSOs to be reviewed by PWYP.

Women: women belonging to traditional communities and those in remote areas, particularly older women, may likely have lower levels of literacy than men and this potentially present challenges for them to participate and in ensuring their views are captured in public dialogue. Implementing CSO partners will identify entry points for meaningful engagement with women groups, including undertaking separate consultations at their convenience to enable safe-space and inclusive participation. Identification of trusted interlocutors in the communities will also seek women representation.

Poor households, including landless groups: social status, access to information, power dynamics and economic tradeoffs are some of the barriers that may confront poor households in their participation in project activities. Initial engagement usually starts from community leaders who are typically from the elite groups and less poor segments of the communities. Considerations will be given with regards to local dynamics and power hierarchy and additional outreach will be made to those who are excluded from community settings once there is social acceptance for the project to consult with communities in particular jurisdictions.

The project will seek to address barriers for community participation, and promote the use of alternative approaches of communication, information disclosure, dialogue based on communities' preferences and availability. Some potential engagement approaches include provisions of information in accessible language(s), peer to peer discussions, informal (e.g. traditional) meetings, use of trusted representatives to convey messages and facilitate dialogue. Engagement with these groups will be an iterative process until common-understanding have been reached.

The extent, frequency and degree of engagement should be commensurate with the level of social acceptance to the project activities and the potential impacts of mining operations (both perceived and actual), which will feed into MSFs.

Under this project, meaningful engagement is built on mutually accepted process by community representatives and their legitimate leaders. Community participation needs to be based on gender-sensitive and inter-generationally inclusive approaches and special considerations will need to be given to the special needs and challenges confronting vulnerable groups as above. In principle, effective engagement is built upon a two-way process that should:

- Involve members of communities, including those vulnerable households and their recognized representative bodies and organizations in good faith;
- Capture the views and concerns of men, women and vulnerable community segments including the elderly, youth, displaced persons, children, people with special needs, etc., about impacts, mitigation mechanisms, and benefits where appropriate. If necessary, separate forums or engagement need to be conducted based on their preferences;
- Begin early in the process and continue on an ongoing basis based during project implementation
- Be based upon the prior disclosure and dissemination/socialization of relevant, transparent, objective, meaningful, and easily accessible information that is in a

culturally appropriate language(s) and format and is understandable for target communities. In designing consultation methods and use of media, special attention needs to be paid to include the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits;

- Place greater emphasis on inclusive engagement for target communities for the purpose of the project, rather than people indirectly affected;
- Ensure that the consultation processes are free of external manipulation, interference, coercion and/or intimidation. The consultations' design should create enabling environments for meaningful participation, where applicable. In addition to the language(s) and media used, the timing, venues, participation composition need to be carefully thought through to ensure everyone could express their views without repercussions; and
- Be documented.

4.5. Feedback Loop

Feedback, comments, and concerns from stakeholders will be generated as part of stakeholder meetings, dialogue, surveys as well as Feedback, Grievance and Redress Mechanism (FGRM) channels (i.e. hotline phone, and website). Information generated from stakeholders will be systematically documented as part of project activities. The main platforms for stakeholder engagement include:

- Public meetings, including community meetings. These activities are expected to provide stakeholders with opportunities to provide comments both verbally and in writing. The project manager will be in charge of reviewing all documentation, following up on pending issues and responding.
- Community outreach, including targeted meetings and engagement, community score cards, tailored engagement for vulnerable groups (i.e. one-on-one conversations, engagement through trusted community interlocutors, etc.). Community-level feedback will be documented, consolidated and discussed during the MSFs
- The project will provide a hotline channel by phone, online survey (such as google form), website and social media to generate stakeholders' feedback and comments. The Communication liaison will be responsible for collecting and providing a review and response within 2-7 days. All the comments and responses will be compiled and reported back to stakeholders through the Multi-Stakeholder Forums (MSFs). Final decisions and a summary of how comments were taken into account will be fully documented and communicated to stakeholders concerned.

As part of the SEP implementation, PWYP and implementing CSO partners will convey to relevant stakeholders information and findings generated through MSF activities and community consultations. ~~Such disclosure includes sharing of information that falls outside the scope of the project, which may be raised by stakeholders during project consultations and MSF.~~ \

The project is not being prepared and does not intend to address any issues that may be raised through the feedback loop or stakeholder meetings, nor does it intend to provide any technical advice on their resolution other than making information accessible to promoting

transparency and accountability. Resolution of such issues falls outside of the scope of the project activities.

4.6. Future Phases of the Project

The project aims to encourage transparency and accountability of licensing processes and revenue management in the mining sector at the provincial level. Thus, the project will ensure that stakeholders will be kept informed as the project develops, including improvement in disclosure of mineral license-related data, public platforms for disclosing the data, and mineral resource-derived revenue transfers, budget planning and management.

The MSF meetings will be held in the targeted provinces at **least two times annually to discuss and report on project implementation with the partners**. The publication related to the project will be published in the website and local media.

5. Resources and Responsibilities for Implementing Stakeholder Engagement Activities

5.1. Resources

Adequate budget from the project (and from the institution if needed) will be allocated, with estimated budget around 10,000 USD, divided to budget for engagement lead by PWYP at national level about 3500 USD and budget for engagement at the provincial level lead by PWYP and CSO implementing partner about 6500 USD. The main persons and contact for stakeholders engagement could be found and announced in our organization website.

5.2. Management Functions and Responsibilities

SEP implementation would be lead directly by project director with support from environmental and social focal point. SEP implementation will be incorporated into the project's management system whereby day-to-day management of SEP will fall under the oversight of the project manager and the communication and outreach specialists/managers. Day-to-day SEP implementation and technical support to implementing partner CSOs will fall under the responsibility of environmental and social focal points. Specific environmental and social responsibilities of each focal points are provided in separate TORs. In relation to SEP implementation, the general responsibilities of the focal points will cover:

- 1) Facilitating the implementation of requisite processes and requirements established under the SEP. This includes provision of technical support to implementing partner CSOs as well as PWYP in updating the SEP and tailoring engagement approaches based on needs during project implementation.
- 2) Monitoring implementation of the SEP, including establishing a risk watchlist system to monitor and record emerging risks (i.e. community tension, Occupational Health and Safety, etc.) as a result of project implementation. The focal points shall also monitor the enforcement of Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Codes of Conduct by PWYP and partner implementing CSOs.
- 3) Coordinating preparation on the field and ensuring that the COVID-19 prevention measures are communicated to all project participants (including but not limited to

local core project team, local partner, stakeholder in provincial and district level, Facilitators and field workers/local community).

- 4) Developing action plans for the implementation of SEP, including planning for resource and budget allocation. This includes provisions of technical support for the development of relevant communication/outreach materials for the purpose of SEP and facilitate implementing partner CSOs to ensure that the delivery of community engagement and Multi Stakeholder Forums (MSFs) are inclusive for diverse population groups, particularly vulnerable communities, including women, people with disabilities, the elderly, youth, Indigenous Peoples, etc.
- 5) Building and maintaining coordination and networks with implementing partner CSOs, advocacy groups and CSOs on environmental and social management, community representatives, sub-national government agencies, mining companies, etc. to ensure broad views are captured and accommodated through the MSFs.
- 6) Flagging and documenting issues of concerns to relevant sub-national government agencies and authorities, PWYP and the World Bank.
- 7) Supporting to disseminate information and raising project's stakeholders' awareness on grievance channels to seek redress. The focal point shall recommend requisite measures and/or remedial actions in the case of complaints related to the project implementation.
- 8) Supporting PWYP in monitoring the project implementation, including documenting implementation of the above deliverables in the project's progress reports.

In undertaking the above tasks, the focal points will not be held responsible to resolve any environmental nor social issues that may be raised in the stakeholder forums or meetings given the project is not being prepared and does not intend to address any issues nor does it intend to provide any technical advice on their resolution other than making information accessible to promoting transparency and accountability. Resolution of such issues falls outside of the scope of the project activities.

These staff members will also be responsible to manage project communication and outreach with the project stakeholders, including sub-national stakeholders and partner CSOs, including ensuring that a database is available to ensure systematic documentation of SEP implementation. The Project will ensure measures to protect confidentiality as well as considerations to protect data privacy and classified materials.

6. COVID-19 Infection Prevention and Control (IPC) for Stakeholder Engagement

This note is intended to provide guidance on addressing key issues associated with COVID-19 in GPSA Mining Sector activities and complements Minister of Home Affairs Regulation Number 20 Year 2020 concerning Acceleration of COVID-19 Handling in The Local Government, Circular Letter of DG Mineral and Coal Number 02.E/04/DJB/2020 concerning Prevention and Management of COVID-19, and PWYP Indonesia policy and procedure on responding COVID-19 pandemic. Relevant requirements include:

1. **Assigning focal point** in PYWP who will be responsible for coordinating preparation on consultation activities and ensuring that the COVID-19 prevention measures are

communicated to all participants. It is also advisable to designate co-focal point as back-up person; in case the main focal point becomes ill.

2. **Adjust consultation approaches** based on public health risk assessments which may include:

- Conducting virtual meeting as much as possible and implementing physical distancing for direct meetings and field works.
- Decreasing the size of work teams and limiting the number of consultation participants at any one time.
- Provision of Personal Protective Equipment (PPE)¹ to prevent COVID-19, using masks at minimum.
- Continuing with the usual environmental and social management trainings, adding self-hygiene and COVID-19 related trainings as appropriate.
- Assess the extent to which consultation and field work schedule needs to be adjusted (or stopped) to reflect prudent work practices, potential exposure of both project workers and community to public health risks. Consider availability of Infection Prevention and Control PPE supplies, taking into account Government advice and instructions.

3. **General hygiene** should be communicated and monitored, to include:

- Training project workers, facilitators and community stakeholders on site on the signs and symptoms of COVID-19, how it is spread, how to protect themselves (including regular handwashing and social distancing) and what to do if they or other people have symptoms².
- Placing posters and signs around the site, with images and text in local languages.
- Ensuring handwashing facilities supplied with soap, disposable paper towels and closed waste bins exist at key places throughout site, including at entrances/exits to work areas; where there is a toilet, food distribution, or provision of drinking water; at waste stations; at stores; and in common spaces. Alcohol based sanitizer (60-95% alcohol) can also be used.

4. **Regular cleaning and waste disposal.** Conduct regular and thorough cleaning of all site facilities and provide project workers deployed to the field with adequate cleaning facilities (such as soap, hand sanitizers, disinfectants, etc.). Disposable PPEs should be collected safely in designated containers or bags and disposed of following relevant requirements (e.g., national, WHO)³. In the case where COVID-19 cases are reported on site, extensive cleaning with high-alcohol content disinfectant should be undertaken in the area where consultations activities are undertaken, prior to any further activities being undertaken in the same venue.

5. **Identify accessible local medical facilities.** Preparation for this includes:

¹ For further information, refer to [WHO interim guidance on rational use of personal protective equipment \(PPE\) for COVID-19](#).

² for further information see [WHO COVID-19 advice for the public](#).

³ for further information [see WHO interim guidance on water, sanitation and waste management for COVID-19](#)

- Obtaining information on resources and capacity of local medical services and selecting which medical facilities to be referred to for specific level of illness.
- Discuss with specific medical facilities, to agree what should be done in the event of ill project workers and people involved in consultations needing to be referred, and method of transport for sick workers.
- Establishing an agreed protocol for communications with local emergency/medical services.
- Agreeing with the local medical services/specific medical facilities the scope of services to be provided, the procedure for in-take of patients and (where relevant) any costs or payments that may be involved.
- If testing for COVID-19 is available, project workers with COVID-19 symptoms should be tested on site. If a test is not available at site, the worker should be transported to the local health facilities to be tested (if available).
- An emergency response procedure should also be prepared for when a project worker ill with COVID-19 dies in coordination with relevant local authorities, including any reporting or other requirements under national law.

6. **Communication and contact with the community** should be carefully managed. The following good practice should be considered:

- Communications should be clear, regular, based on fact and designed to be easily understood by community members through forms of communication other than face-to-face; posters, pamphlets, radio, text message, electronic meetings. The means used should take into account the ability of different members of the community to access them. Existing grievance redress mechanism should be utilized to manage feedbacks and grievances from the communities.
- The community should be made aware of all measures being implemented to limit contact between project workers and amongst community members themselves, procedure for social distancing measures, the training being given to project workers and the procedure that will be followed by the project if a worker or consultation participant becomes sick.
- If project workers are interacting with the community, they should practice social distancing and follow other COVID-19 guidance issued by relevant authorities, both by national and international agencies (e.g. WHO).

7. Feedback and Grievance Redress Mechanism (FGRM)

In terms of grievance management, the project will employ the staff to handle the FGRM channel (sekretariat@pwypindonesia.org, phone : +62 21 29069727) and handling the requesting information and grievance mechanism regarding the project existing institution's FGRM. Alternative grievance mechanisms through direct community engagement and/or use of trusted community interlocutors will be considered to enhance the system's accessibility and appropriateness.

The Project Operational Manual (POM) will further elaborate a Standard Operating Procedure (SOP) for the management of grievances, including specific timeline for responses and responsibilities both within PWYP and partner CSOs.

In principle, every grievance and concern reported through the project's FGRM will be responded and solutions will be sought to the extent technically feasible. Additional measures to enable communities to extend their views and concerns will be provided through direct dialogue and community scorecards. Careful considerations will be placed on traditional and cultural practices and local wisdoms as well as barriers for specific groups, including women, to participate. Every complaint and concern will be documented and archived in the project's database. Grievance settlements will be monitored periodically within a maximum of one week following submission. Resolution progress and decisions will be communicated to relevant stakeholders, including aggrieved parties, with measures to protect confidentiality and data privacy.

The project's FGRM will be communicated to all stakeholders in meetings, multi-stakeholder dialogue, as well as information boards, project's leaflet and other communication materials (i.e. websites, radio, newspapers, etc.).

8. Monitoring and Reporting

8.1. Involvement of Stakeholders in Monitoring Activities

The monitoring and evaluation for SEP will focus on assessing whether the project's interventions contribute to enhancing transparency and accountability in mineral licensing processes and revenue management, and the extent to which beneficiaries are empowered and have their voices heard in policy forums in the extractive industries sector.

Monitoring and evaluation activities will be carried out by PWYP project team and consultant with the active participation of multi-stakeholders including provincial government authorities, NGOs and CSOs, the private sector, and representatives of local communities including representatives of women groups and Indigenous Peoples impacted by the mining activities and its related policy.

The project will involve stakeholders to define meaningful monitoring indicators and processes and make them participate actively in the elaboration of monitoring reports and recommendations. Community Based Monitoring System and Community scorecards will be applied as part of social accountability tools that would be used by the community; and that the engagement will focus on building stakeholders' capacity, ownership and commitment to implement any corrective actions.

An internal monitoring and evaluation staff would be deployed as part of project management team, with the main responsibility for monitoring and evaluation of project achievements (both in terms of outcomes and outputs to be delivered), and also measure the achievements based on indicators that have been developed and approved by the GPSA team, and will be aligned with the new GPSA Theory Of Change and Results Framework.

On the other hand, an external independent organization/consultant will be hired to conduct a mid-term and final external evaluations to assess the overall impact of the project in targeted provinces and mining-affected communities, including the overall SEP implementation. The external evaluator should, at the minimum, have:

- Good knowledge of the mineral licensing and revenue management from mining sector in Indonesia and other developing countries;
- Ability to monitor environmental and social risks and impacts caused by mining activities through an active engagement with local communities;
- Deep understanding of provincial political economy, policy and political structure, as well as community engagement, social accountability approach, especially in the targeted provinces.

8.2. Reposting Back to the Stakeholder Groups

MSFs will be one of the channels to share and report back the results of stakeholder engagement activities. Meetings will be held regularly at least two times annually on project implementation.

Information to be disseminated include results of Community Based Monitoring and Community Scorecards, relevant grievances, views and concerns from stakeholders, project implementation overall, including the SEP. The information will be published on the project's website and local media to allow further outreach to broader stakeholder groups. The members of multi-stakeholder forums and other stakeholders will be informed about available information channels and communication platforms (such as hotline phone number, online form, website and social media).