



## Context

Between 1999 and 2004, waves of ethnic and religious violence in Indonesia's Maluku Islands severely affected the local economy and the livelihoods of the inhabitants. In addition to the loss of 9,000 lives, the conflict led to the displacement of more than 400,000 people (over 30% of the local population), destruction of schools and medical facilities, more than 40,000 houses, as well as businesses, crops, livestock, fishing boats and equipment.

## Strategy

With funds from the Government of Japan through the United Nations Trust Fund for Human Security (UNTFHS), UNIDO and the International Labour Organization (ILO) are implementing a project to support the islands' reconstruction and reconciliation process. UNIDO has taken the lead in the problem identification and the required technology transfer while ILO has focused on local economic development initiatives. Together, both agencies work on conflict prevention, business management and entrepreneurship development training programmes for 21 villages in Ambon City, Central Maluku and the West Seram Districts.

Together with the local government, UNIDO also set up the Maluku Technology Centre to harness the great potential of local commodities, such as sago palm starch, seaweed, and eucalyptus and coconut oils. Training is mainly conducted on a community level and is already reaping benefits for the islands' artisans as they progressively adopt new technologies, expand the range of their products and increase their value. Furthermore, project staff and their trainees organized the Maluku Cultural and Small-Industry Product Festival, an event which, not only showcased the project's achievements, but also gave hundreds of participants from various communities a deeper awareness of their common heritage.

## Current results

- 16 village productivity groups established
- 579 beneficiaries trained including a 30% participation of women
- Hygiene, sanitary standards, and good housekeeping procedures introduced
- New, market-oriented products designed and existing products improved
- Training and counseling in conflict management/prevention provided

## Impact/Outlook

Some 3,000 people are expected to directly benefit from the project and approximately 20,000 indirectly. In terms of local ownership, the Maluku Government has shown commitment towards the project by providing office space and by donating USD 50,000 during the project's initial phase. Village groups from the 13 villages that benefited from a previous UNIDO project are also being supported by the project.

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## At a glance:

**Goal:** Reconstruction and reconciliation  
**MDG:** 1. Eradicate Extreme Poverty and Hunger  
 3. Promote Gender Equality and Empower Women  
**Thematic area:** Poverty Reduction through Productive Activities  
**Donor:** Japan through the United Nations Trust Fund for Human Security (UNTFHS)  
**Partners:** The International Labour Organization (ILO), Ministry of Industry and Trade, Ministry of Manpower and Transmigration  
**Budget:** USD 2,100,000 of which USD 1,300,000 for UNIDO  
**Status:** ongoing  
**Duration:** February 2009 – February 2012