

REDD Wrong Path

Pathetic Ecobusiness

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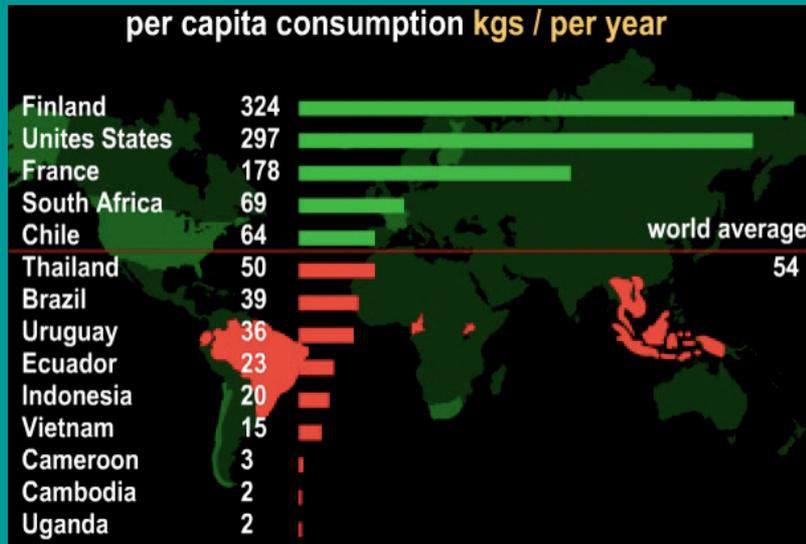
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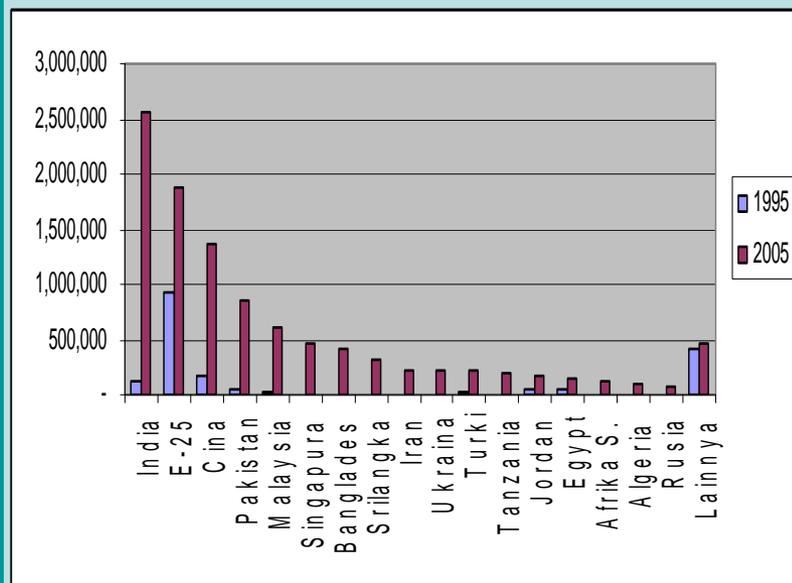
Introduction

- Forests are thus an essential component of world carbon cycles and will undoubtedly be included in any future measures to combat climate change
- Deforestation and land use change, particularly in developing countries such as Indonesia, are responsible for between 18-20% of global greenhouse gas emissions (IPCC 2007)
- In Indonesia the period of 1985-1997 deforestation rate was 1.6 million hectare. Period 1997-2000 increased to 3.8 million hectare and in the period 2006-2007 was 2.7 million hectare
- During the meeting of the 13th Conference of the Parties (COP-13) to the United Nations Framework Convention on Climate Change (UNFCCC) in Bali in 2007, Reducing Emissions from Deforestation and Forest Degradation in Developing countries (REDD) emerged as a prominent component of any future efforts to mitigate climate change

World Consumption of Paper (WRM, 2008)



Indonesian Palm Oil Market Period 1995 – 2005



REDD Doesn't Address The Causes of Deforestation

- The problem of deforestation in developing countries cannot be divorced from discussions on international trade and Northern patterns of consumption
- In 2003, China alone imported 42 million cubic metres of timber products and 52 million cubic metres of pulp and paper, with Indonesia being one of its largest suppliers (Fry 2008)
- Around 12,3 million hectares of forest loss caused by land clearing for oil palm



Funding Mechanisms Proposed

- The G77 group of developing nations and China have firmly stated that a multilateral financing mechanism must be under the UNFCCC's control
- The GEF has been the target of significant criticism partly due to the sizeable role played by the World Bank. It has substantial influence over the distribution of GEF funds (FOEI, 2008)
- At the COP-13 meeting in Bali, World Bank launched the Forest Carbon Partnership Facility (FCPF). This program to be strongly geared towards promoting carbon markets in the financing of REDD. That many of the initial concept notes submitted by participating countries pay scant attention to recognition of land tenure and ownership rights (Dooley *et al* 2008)
- In May 2008 the World Bank also authorised a second Climate Investment Fund, the Forest Investment Program (FIP) to provide finance for implementing reforms and investments needed on the ground
- In July 2008, the UN launched UN-REDD (United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries) will be led by the UNDP, FAO and UNEP. The project has already received a US\$35 million commitment from the Government of Norway



Concerns With A Market-Based Approach

- By allowing northern countries to use market based REDD they will be able to evade responsibility for reducing emissions in their own countries
- Allowing Annex-1 countries to use forests to offset their domestic emissions reductions commitments will not address the underlying causes of climate change
- If the price of carbon were to collapse, payments to local forest dependent communities could quite conceivably plunge below subsistence levels, resulting in increased pressure to resume destructive forest activities



Indigenous and Forest Dependent Communities

- As most indigenous forest dependent people lack secure land tenure arrangements, REDD runs the risk of inciting land grabbing as commercial and state interests seek to benefit from the distribution of REDD funds
- REDD proposals continue to be developed in a top-down manner from governments, international agencies and carbon finance companies, and communities at the local level are often poorly informed (FPP 2009: 7)



Further Government Inconsistencies

- On the 4th of February 2008, the government released Government Regulation No. 2 (2008). The policy has given increased rights to mining companies and justified the opening up of protected areas and production forest
- On the 16th of December 2008, the government approved the *Minerba* (Coal and Mineral) bill. The regulation does not contain any assurances for the protection of community living spaces and protected areas
- In February 2009, the Agriculture Ministry issued a decree allowing businesses to convert millions of hectares of peatlands into oil palm plantations



Current REDD Projects in Indonesia

1. Aceh, Ulu Masen Project, 750.000 ha. An agreement has been signed between the Government of Aceh and Carbon Conservation (Australia). Facilitated by FFI
2. Aceh, Leuser Ecosystem, An agreement has been signed between the Government of Aceh and Sustainable Forest Management Southeast Asia (SFM SE Asia Ltd), Singapore.
3. Riau, The pulpwood plantation company Riau Andalan Pulp and Paper (RAPP) has put forward a proposal to manage the Kampar Peninsula in central Sumatra as a protected forest. The proposal would establish a core protected area surrounded by a ring of 200,000 hectares of pulpwood plantations
4. West Kalimantan: Flora and Fauna International (FFI) has developed proposals for REDD pilot projects in Sungai Putri and Kapuas Hulu. an FFI presentation shows heavily armed security personnel protecting the forest (FFI 2008; FFI 2009). Supported by Macquarie Bank (Australia)
5. Central Kalimantan, 1 million ha of degraded peatland at the site of the failed rice mega-project in Central Kalimantan has been earmarked as a pilot project for REDD. This scheme is supported by the Australian Government's AU\$30 million Kalimantan Forests and Climate Partnership and JP Morgan Stanley (Amerika)



Current REDD Projects in Indonesia

6. East Kalimantan, Malinau. In late 2008 a MoU was signed between Swiss company Global Eco Rescue (GER) and state owned forestry company PT Inhutani II, 225.000 ha
7. East Kalimantan, Berau. The Nature Conservancy (TNC) has provided support for preliminary preparation activities in the regency
8. Papua
 - FFI has developed a proposal with the Papuan provincial government for a REDD scheme in the Cyclops Mountains near Jayapura. An MoU has been signed between FFI and the Papua government but the project is still awaiting central government approval
 - New Forests (Australia) in conjunction with Emerald Planet have developed a pilot REDD program in the regions of Mimika, Memberamo and Merauke
 - Conservation International has developed a pilot project with PT Mamberamo Alasmandiri, and will receive support from Carbon Conservation and Forest Carbon



Conclusions

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are needed to see this picture.

- Leakage will always be a critical concern with REDD if the underlying imperative to deforest is not being tackled
- Community based forest management, with appropriate recognition of customary land tenure and collective rights will prevent deforestation and promote effective long term forest conservation
- That a process of training and capacity building work should be carried out prior to official public consultations to ensure indigenous participation is truly informed