



# **Forests and the Biodiversity Convention**

**Independent Monitoring of the  
Implementation of the Expanded  
Programme of Work  
in Indonesia**

**ICTI – TANIMBAR  
Indonesia**



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School Girls, Indonesia  
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## EXECUTIVE SUMMARY

While the government of Indonesia claims a leading role on forest processes at the international level by hosting UN meetings and initiatives such as hosting the second UN CBD – COP2 in November 1995 in Jakarta, the UNFF – CLI, February, 2007 in Bali, the UNFCCC – COP 13, December 2007, the fact is that forests in Indonesia continue to disappear at alarming rates and the CBD/POW is virtually impossible to implement.

According to interviews with several government officials, (at national and local levels), there are several reasons why this happens.

### Reasons at National/Local level

1. Forest Policy. There is competition between the Department of Forestry, Department of Agriculture, Department of Environment, Department of Mining and Energy. All of these Departments have business in forests.
2. There is competition between the Central government and Local governments. The central government continues to issue the logging licenses to timber companies at national and local level, but the local government also issues licenses at local level.
3. The understanding of forest ownership. The government claims ownership of all forests in Indonesia while the local and Indigenous Peoples claim the rights on the forest they inhabit. There are hundreds of conflicts between Indigenous Peoples on one side, and local and central government, (and the logging companies), on the other.

The Environment Department, (institution in charge of the implementation of the CBD/POW), has very little clout to convince the other governmental departments mentioned above to implement or even to integrate the principles of the CBD/POW into their policies and actions. In this scenario, the programme of work can scarcely be implemented and, if it is, the actions are restricted to a handful of protected areas with no formal link to the CBD/POW.

### Reasons at International level

Recently, the expansion of palm oil plantations to produce feedstock for the production of agrofuels has become a major threat to Indonesian forests. On basis of the interviews with government officials and private sector representatives, it becomes clear that the impact this activity could eradicate the remaining forests, and devastate the rights and territories of the forest peoples of Indonesia.

Many people believe (without any evidence to support the theory) that agrofuels are friendly to the climate, and that planting crops like palm oil for agrofuels is good for the environment and brings abundant income for the communities. In this regard, Indonesia has been, for many years, one of the largest producers of crude palm oil (CPO). To fulfill the demand of the international market in CPO, the government of Indonesia decided to convert millions of hectares of forests into palm oil plantation. The government of Indonesia extensively expands the area of palm oil plantations to compete with Malaysia and became the number one CPO producer, which results in the cutting down of millions of additional hectares of forest. The government has signed multi million Dollar contracts for the expansion of palm oil plantations with European Union and United States concerns.

The adverse effects of this effort to become the world's number one producer of CPO- (on all Indonesians, Indigenous and non-indigenous alike, is that while most of the remaining forest is destroyed, most of the CPO goes to fulfill international demand, largely for agrofuels, which results in acute price increases for cooking oil. These oils are a key source of nourishment for

the poor population, including Indigenous and local peoples in Indonesia. This along with the destruction of Indigenous lands and territories is a compounding problem for the sustainability of Indonesian forests.

One of the important points of the Expanded Programme of work that the parties have to address is:

**“The need to facilitate adequate participation of Indigenous and Local communities and need to respect their rights and interests ”.**

The problem is that the government of Indonesia in all of its official documents does not have any mention of this group ( MASYARAKAT ADAT or Indigenous Peoples )

From the above evidence, it is possible to conclude that the implementation of the CBD/POW (or of equivalent actions and policies in Indonesia), has been overwhelmed by other sector’s interests and that little or no meaningful implementation is taking place. More seriously, there is no interest in decision making circles in stopping deforestation and forest degradation, apart from those actions limited to protected areas. These policies are insufficient to form any meaningful compliance with the CBD programme.



*Smiling woman, by Mina Susana Setra*

## 1 .INTRODUCTION.

Indonesian territory has a huge diversification of plants and microorganisms, many of which are endemic. This huge diversification produces a solid environmental stability. Indonesia has a vast diversification of ecosystems; which includes major genetic differences within species as well as across species.. This diversification of ecosystems is responsible for the region being listed as a biodiversity hotspot.. There are many different types of ecosystem in Indonesia, including forest ecosystem, wet farm, mangrove, coral reef, field polder, and many others covering the area down from the mountains to the sea..

This biodiversity provides many things and services; including, food, energy, and a genetic source of raw materials for commodity crops and medicines. It also useful for supporting life, by maintaining the soil condition, keeping-filtering and absorbing water, maintaining the air purity and recycling carbon.. Indonesia is on the high level in the world biodiversity map; and is one of the ten mega biodiversity countries with the highest biodiversity level (Primack et al, 1998).

Indonesia is an archipelagic country which lies between the traffic of biodiversity in the Asia (Java, Sumatra and Kalimantan Islands) and Australian continents (Papua Island) and also the switchover region of Wallacea (Sulawesi, Maluku and Nusa Tenggara Islands). Indonesia also has biodiversity which is rich, highly specific and endemic.

The biodiversity of Indonesia has sharply decreased, and will continually decrease if we do not take preventative measures.. Around 20 – 70% of the original habitat has disappeared (Bappenas, 1993). Even though it's difficult to predict, we estimate that one species disappears every day (KLH, 1997).

The causes of biodiversity degradation in every ecosystem are; too much conversion to farm land, pollution, exploitation, utilisation of destructive technology, foreign exploitation, and climate change. This degradation has been worsened by the lack/ or even the non existence of regulation/ policy and good monitoring systems.

Indonesia, as a part of world community, has actively involved in many conventions and international agreements aimed at maintaining and saving biodiversity. Indonesian participation in international dialogues could give great impact to this nation; in terms of developing and using natural resources sustainably..

The participation of Indonesia in those international dialogues, so far, has resulted in some programmes and policies. Like; World Conservation Strategy, Ramsar Convention, World Heritage Convention, CITES, Convention on Biological Diversity (CBD), ASEAN Agreement on Nature Conservation, and many others. Among those International commitments, which involve the Indonesian Government, some parts of them are already ratified through regulations. One of it is Regulation (UU) no. 5, in 1994, about biodiversity, which discusses conservation, sustainable use of biodiversity's components, and also the access and fair and equitable sharing of benefit.

By ratifying the CBD, the government has committed to actively participate in biodiversity matters. These agreed decisions should be translated into national legalization, policies and plans, so they can be implemented. Regarding that, all the terms of the conventions should be understood, watched, and learned by all parties in order to match national conditions and needs.

COP8-CBD in Curitiba, Brazil, in 2006, produced many decisions which are expected to be implemented by all Parties. Among those decisions, there are 30 decisions related with a main topic, like: island biodiversity, biological diversity of dry and sub-humid lands, global taxonomy initiative, access and benefit sharing, article 8(j), communication, education and public awareness (CEPA), forest biodiversity, biodiversity of inland water ecosystems, marine and coastal biodiversity, deep-seabed genetic resources, integrated marine and coastal area

management, agriculture biodiversity, protected areas, alien species, biodiversity and climate change.



*Walking Women, Walhi West Kalimantan,  
by Mina Susana Setra*

One of the important topics which were discussed in the COP8-CBD meeting is how to form an international commitment about Programme of Work (POW) in forest policy (which is an expansion of Program of Work about Forest Biological Diversity in COP6-CBD meeting in 2002). This program consists of some major measured policies which, if they are well implemented, will give great contribution to effective forest conservation and protection of the Rights of Indigenous Peoples.

Global Forest Coalition (GFC) has taken the initiative in monitoring how far the implementation has been progressed by governments in relation to the development of Expanded Programme of Work on Forest Biological Diversity of the Convention on Biological Diversity in 20 countries, including Indonesia. This international initiative of Monitoring and reporting is an important tool for stimulating the achievement of the CBD targets. This report is expected to be able to facilitate the keeping of commitments at the International and National levels.

This report for Indonesia relies mainly on the outcomes of the national workshop and interviews with several government official as well as private sector reps as mentioned at the summary of this report.

## 2. BRIEF DESCRIPTION OF THE FOREST IN INDONESIA

Up to 2005, the government of Indonesia had designated a category to 126, 6 million hectares forest area. These forest areas are:

1. 23,2 million hectares of conservation forests
2. 32,4 million hectares of protection forests
3. 35,6 million hectares of production forests
4. 21,6 million hectares of limited production forests
5. 14, 0 million hectares of convertible production forests.

Extent of forest and other wooded land in the country, according to FAO is as follows:

### Extent of forest and other wooded land

FRA 2005 categories	Area (1000 hectares)		
	1990	2000	2005
Forest	116,567	97,852	88,495
Other wooded land	-	-	-
<b>Forest and other wooded land</b>	<b>116,567</b>	<b>97,852</b>	<b>88,495</b>
Other land	64,590	83,305	92,662
...of which with tree cover	7,857	9,051	9,648
<b>Total land area</b>	<b>181,157</b>	<b>181,157</b>	<b>181,157</b>
Inland water bodies	9,300	9,300	9,300
<b>Total area of country</b>	<b>190,457</b>	<b>190,457</b>	<b>190,457</b>

Data source: FAO, Global Forest Resources Assessment 2005.

This data changes frequently because of among others:

1. Forest areas are not stable as a result of
  - a. Spatial planning is not well coordinated;
  - b. Management units for all forest-function areas are not yet completely established
  - c. Forest use is not yet community oriented.
2. Forest resources are declining because of, among others:
  - a. Forest resource utilisation focuses too much on wood products;
  - b. Control over forest resource management is weak.
  - c. Law enforcement on forest management infringement is inadequate.
  - d. Forest rehabilitation rate is less than forest and land degradation rate.

### 3. PRESENT CONDITION OF FOREST AND FORESTRY IN INDONESIA

The condition of forests and forestry in Indonesia in terms of environmental, social and economic factors are as follows:

#### 3.1. ENVIRONMENT

Up to 2005, the Government had designated 126.8 million hectares forest area, comprising 23.2 million hectares of conservation forests, 32.4 million hectares of protection forests, 21.6 million hectares of limited production forests, 35.6 million hectares of production forests, and 14.0 million hectares of convertible production forests.

According to researchers, Indonesia's forests and marine territory have high biological diversity, which is reflected in the fauna and flora diversity: 515 mammal species (12% of world's mammals), 511 reptile species (7.3% of world's reptiles), 1531 bird species (17% of world's birds), 270 amphibian species, 2827 invertebrate species, and 38,000 plant species (IBSAP, 2003).

The population and distribution of those resources are declining because of inappropriate utilisation of forest resources, such as: over-utilisation (flora/fauna), new uses of forest lands (legal and illegal), and forest fires such as the one in 1997 which affected 5.2 million hectares.



Up to 2002 degraded forest lands were recorded at 59.7 million hectares, while critical lands both within and outside of formal forest areas were 42.1 million hectares. Some of these areas are located in the watersheds with a high priority for rehabilitation. Up to 2004, the Government had prioritised rehabilitation of 458 watersheds, of which 282 are of first and second priority.

The Government has decided to protect endangered species, including 57 plant species and 236 wildlife species through issuance of Government Regulation No. 7 of 1999 concerning Conservation of Plant and Wildlife Species. In order to handle trades in endangered plant and wildlife species, Indonesia has signed the Convention on CITES and enlisted 1,053 plant species and 1,384 wildlife species in Appendices I and II.

In order to preserve ecosystems and biological diversity, up to 2004 the Government had established terrestrial conservation areas, i.e.: 44 units of National Parks (NP), 104 units of Nature Recreation Parks, 17 units of Forest Parks, 14 units of Hunting Parks, 214 units of Nature Reserves, and 63 units of Wildlife Reserves. Marine conservation areas have also been established: 6 units of Marine National Parks, 9 units of Nature Reserves, 6 units of Wildlife Reserves, 18 units of Nature Recreation Parks.

At the global level, apart from CITES, Indonesia has also ratified and participated actively in the UNFCCC, Kyoto Protocol, UNCBD, UNCCD, RAMSAR Convention and World Heritage Convention. In addition, Indonesia also actively participates in the Committee on Forest (COFO)/FAO, ITTO and UNFF as well as other global and regional agreements.

### **3.2. SOCIAL**

Based on the 2003 census, Indonesia's population was 220 million people. CIFOR (2004) and BPS (2000) describe that about 48.8 million people live around forests and about 10.2 million of them are poor. Six million people are directly dependent on the forest as the source of earnings, of which 3.4 million work in the private sector of forestry. Traditionally, a lot of people earn their living by using different forest products, both wood and non-wood ones (such as rattan, resin, agar wood, and honey).

Education and health conditions of people living around forests are generally not as good as in urban areas. Access to facilities is relatively low. Among others, the sanitation system of housing complexes is poor. As the population density of the forest communities increases, the social quality of the peoples lives generally declines.

Efforts to improve the social condition of the forest communities have been promoted by the Government, including through: Forest Community Development by 169 forest concession companies (outside Java), Community Based Forest Management by Perhutani State Enterprise (Java), and Community Forestry. In 2003 Forest Community Development was carried out in 267 villages (with 20,542 households), and Community Forestry covered 50,644 hectares.

The Social Forestry Program was launched by the President on 2 July 2003 in Palangkaraya. This program was meant to give opportunities for local communities as actors or main partners in the management of forest resources. Up to now institutional facilitation has been carried out in 7 provinces, through establishment of productive business groups and development of inter-sector plans of activities.

### **3.3. ECONOMIC**

Commercial utilisation of forests, especially natural forests, which started in 1967, has put forestry as an important sector in the national economy. Indonesia managed to lead in the world tropical timber export, including export of logs, sawn timber, plywood, and other wood

products. During the period 1992 – 1997 Indonesia's foreign exchange earnings from forestry was US\$16.0 billion, which on annual average contribute 3.5% of the GDP (BPS, 2004).

In 2003 forestry export earnings were officially reported at US\$ 6.6 billion or about 13.7% of the total non-oil-and-gas export. It comprised US\$ 2.8 billion from exports of plywood and sawn wood, US\$ 2.4 billion from pulp and paper, US\$ 1.1 billion from furniture, and the rest was from other processed wood. However, it was estimated that it could reach US\$ 8.0 billion when including unrecorded exports (CIFOR, 2003).

The golden era of forest industries has declined since 1990. This is shown among others by the decline in the number of forest concession companies from 560 companies with permitted production of 27 million m<sup>3</sup> in 1990, to 270 companies with production of 23.8 million m<sup>3</sup> in 2002.



Woman, by Aman



Women with child, Indonesia by Aman

The decline continued in 2003 with production of 6.8 million m<sup>3</sup> in 2003 and 5.8 million m<sup>3</sup> in 2004. (Realisation of log production from different sources of production from 1997-2003).

Government's income from Reforestation Fund, Interest of the Reforestation Fund, Forest Product Fees, Plantation Forest Concession Fees, Natural Forest Concession Fees, Export of Wildlife, Fine from Forest Utilisation Infringement, as well as Nature Tourism Enterprise Levies in 1999 was IDR 3.33 trillion, and in 2003 IDR 2,72 trillion.

Forest utilization from 1989 to 2003 declined both in area and the number of business enterprises. The number of forest utilisation enterprises in 2003 was 267, which declined by 52.1 % from that of 1989.

Wood processing industries in 2003 were 1881 in number, comprising: 1,618 sawmills with a total capacity of 11.048 million m<sup>3</sup>; 107 ply mills with a total capacity of 9.43 million m<sup>3</sup>; 6 pulp mills with a total capacity of 3.98 million m<sup>3</sup>, 78 block board industries with a total capacity of 2.08 million m<sup>3</sup>; and 73 other wood working industries with a total capacity of 3.15 million m<sup>3</sup>.

However, the decline of forestry industries' contribution was balanced by increase of the non-wood forest products' contribution (rattan, charcoal, and resin), which amounted US\$ 8.4 million in 1999 and increased to US\$ 19.74 million in 2002. The contribution of trade in wildlife and plants in 1999 was US \$ 61.3 thousands, which sharply increased to US\$ 3.34 million in 2003.

Reforestation in 1999 covered 12,102 hectares and in 2003 it increased to 52,200 hectares. Forest and Land Rehabilitation through the National Campaign for Forest and Land Rehabilitation (Gerhan) up to 2004 covered 252 thousand hectares.

Industrial Forest Plantation Development has also shown encouraging progress, though implementation has been relatively slow. From 1989 to 2003, 96 Industrial Forest Plantation companies were given licenses, which covered 5.4 million hectares. However, up to 2004 the implementation only covered 3.12 million hectares.

In 2000, employment in the forestry sector from planting, harvesting, to the industries involved 3,092,470 people, with average income in forest concession companies of IDR 7.3 million/year/person, and in the industries it was IDR 3.3 million/year/person (BPS, 2000).

Forestry development has contributed significantly to local development. This is shown by the increased access to isolated areas because of availability of forest harvesting roads for the forest communities, increased employment opportunities, and increased income of the local government and local people.

#### 4. LAND TENURE REGIME AND FOREST MANAGEMENT IN INDONESIA.

According to the output of the national workshop on the implementation of the expanded programme of work, the land tenure regime and forest management in Indonesia can be divided as follows:

Regime	Domination	Access	Ownership
Before colonialism	Society/Indigenous Peoples&Kingdom, sultanate	Free access	Society, kingdom, Sultanate
Colonialism era (before proclamation/Independence)	Colonial	Access+ tribute	Colonial
Old Order (ORLA) Era	State	Free access	Indigenous Peoples/Local people
New Order (ORBA) Era	State, Private	Limited access	State, except other ownership forest
Reformation Era	State, Private	More limited access	State, except other ownership forest

Before colonial time, the forest owned by the Indigenous Peoples and by the king or the sultans within their territories the people get free access to the forest and forests resources. During the colonial time, the forest owned by the colonial and the king or sultan.

After independence :

During Old Order (Soekarno time) the forest owned by the state , but peoples get free access to the forest and forests resources.

During Suharto New Order (Suharto era), the forest own by the state and private and the peoples have limited access to the forest and forests resources.

During Reformist era, the forest own by the state and the private and the peoples have very limited access to the forest and forest resources.



Waling women, by Aman

#### **4.1.PROBLEM IDENTIFICATION**

Based on the description of current conditions and the expected conditions, some problems in the forestry development are identified. Problems identification is used to justify the definition of objectives, targets, policies, and programs, in accordance with the vision and missions that have been defined.

Analysis of the current conditions and the target conditions show that there are two root problems in the field of forestry, i.e.:

- a. Management of forest functions is not optimum;
- b. Roles and distribution of benefits are not equitable.

The reasons and causes of each of the above root problems are described below.

##### **A. Management of forest functions is not optimum**

1. Forest areas are not stable because of, among others:
  - a. Spatial planning is not well coordinated;
  - b. Management units of all forest-function areas are not yet completely established;
  - c. Forest use is not yet community oriented.
2. Forest resources are declining because of, among others:
  - a. Forest resource utilisation focuses too much on wood products;
  - b. Control over forest resource management is weak.
  - c. Law enforcement on forest management infringement is inadequate.
  - d. Forest rehabilitation rate is less than forest and land degradation rate.

##### **B. Roles and distribution of benefits are not equitable**

1. The forestry industries are not efficient because of, among others:
  - a. Lack of clear direction and serious support from the Government in developing competitive and sustainable forestry industries;
  - b. Lack of equity in the distribution of benefits from forestry industries.
2. Forest resource related economic activities of the communities are not optimum because of, among others:
  - a. Laws and regulations that control people's access to forests are not adequate;
  - b. Absence of a mechanism for financing small and medium enterprises in forestry.

## **5. CONCLUSION:**

It is a difficult task to do this monitoring in Indonesia as there is no clear implementation of the Programme of work.

I would like to thank Aliansi Masyarakat Adat Nusantara (AMAN) the national umbrella organization of Indigenous Peoples of the archipelago of Indonesia, the Forest Watch Indonesia (FWI) and many other organizations involved in this monitoring process, and government officials and individuals who supported and made this task happen.



*Women and baby, by Cameroon Bell*



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