

Underlying Causes of Deforestation and Forest Degradation In Indonesia

Can REDD Become a Solution?

Bangkok, September 24th 2009

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Global Forest Coalition (GFC)

Forest Watch Indonesia

Overview

Forest Watch Indonesia, abbreviated to FWI, is an independent forest monitoring network incorporating individuals and organizations committed to fostering a transparent forestry data and information management system which can ensure the sustainable forest management.

Deforestation

- Indonesia still have high deforestation rate
- MoF : Indonesia deforestation rate between 2000-2005 is 1.09 ha per year
- FAO (2007) : issued the deforestation rate of 1.8 million ha/year in The State of World's Forest 2007

Forest Degradation

- The data of research output conducted by FWI-CIFOR 2006 for the Papua islands indicates that along the period of 2000-2005, the average of deforestation rate was 297.909,00 ha/year in the primary forest
- This forest degradation rate is not far different than the degradation rate of the primary forest in Papua with the average degradation rate of 324.214,29 Ha (1989-2003)

The Cause of Deforestation and Forest Degradation

Direct Causes:

- agricultural expansion
- wood extraction
- extension of infrastructure building

Underlying Causes:

- economy
- policy and governance (politic)
- technology
- socio-politic (cultural)
- population growth (demography)

Direct Causes

The Extension of Plantation Area

Deforestation in plantation area in general is caused by land clearing activities. The driving factors of forest land conversion to plantation land are:

- Good physical condition of forest environment (drainage, soil fertile, etc)
- The high price for plantation products (the higher production profit, the bigger conversion)
- Low salary (low cost for land clearing)
- Demographic changes (population pressure and growth and work field)

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- In Indonesia, the palm oil plantation area has increased years by years.
 - According to the Directorate General for Plantation, the palm oil plantation area keeps increasing from 1.1 million hectares in 1990 into 6.1 million hectares in 2006.
 - Up to 2007, the Agricultural Minister stated that the palm trees would reach 6.3 million hectare.
 - The Ministry of Forestry stated that the forested area changed into plantation up to 2005 had been 4.667.806.68.

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- For the past 25 years, Riau has lost its forest more than 4 million hectare, 29 % of them was caused by forest conversion for plantation with the deforestation rate of 286.146 hectares in 2005-2006.
 - Meanwhile, in Central Kalimantan reveals that up to the end of 2006, around 816.000 hectares of forested area had been released for palm oil plantation.

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- More than 3 million hectares of Central Kalimantan territory is Peat land and almost 14 % of them have turned into palm oil plantation area.
 - According to Central Kalimantan Plantation Office there had been 20 large plantations holding the operational license in Peat land Development Area (PLG) of 304.000 hectares up to 2007.

Wood Extraction

Forest exploitation in Indonesia was started in the early 70s since then lots of forestry companies holding HPH (Forestry Concession) exploited the forests in almost all Indonesian territories particularly in Sumatera and Kalimantan.

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- Up to 2006, based on data of forestry department, 13.065.579 hectares of forested area were prepared for IUPHHK (timber forest exploitation license) in the natural forest and 3.305.006 hectares for crops.

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- For the past 2 (two) decades, the development of pulp and paper industries in Indonesia shows a fantastic point.
 - The capacity of the pulp and paper industry in 1987 reached 0.5 million tons, and it increased drastically to 6.5 million tons in 2007 with the raw material demand of 30 million cubic meter per year

The Development of Infrastructure

- The opening of forested area for transmigration area in Riau Province has a total area of 773 thousand hectares.
- Alike Riau, the Papua Province allocates its forested area for plantation and some of them are released for transmigration location. Up to 2002, the area of forested land released for transmigration area had reached 375.203,4 hectares

Underlying Causes

Economy

- desire to get big state's stock exchange from forestry sector and plantation.
- Market failure.
- Corruption.

Governance

- Governance failures (lack of law enforcement)
- Inconsistency policy between national and local government policy

REDD Policies and the Process

Indonesian can be said to be one step ahead by having the regulation on REDD implementation policy.

- The first regulation is PP No 68 of 2008 on organizing the demonstration activities on carbon emission reduction from deforestation and forest degradation. It regulates the procedure to carry out the demonstration activities as a prerequisite to full implementation of REDD after the expiration of Kyoto Protocol by 2012.

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- The second regulation is the Forestry Minister's Regulation No. 30/Menhut-II/2009 on REDD Scheme. It regulates the prerequisite to REDD implementation in different forms of forest use either the forest area concession awarded to the management unit, conservation zone, community forest and else.

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- The fresh-issued regulation is the Forestry Minister's Regulation No. 36/Menhut-II/2009 on Procedure of Licensing the Use of Carbon Storage and or absorption in the production forest and protected forest. This Ministerial regulation contains the procedure to get a license from the government for carbon use in different forms of forest use.

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- In its preparation process, lots of parties pay attention to the regulation concerning REDD. The Forestry Ministry on behalf of the Indonesian government had organized an initial study by establishing IFCA (Indonesia Forest Climate Alliance) in 2007. The outcomes of IFCA are suited to be reference in making the regulation concerning REDD.

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- However, those regulations had invited critics from NGO's and indigenous people who thought the process to make the regulation was not sufficient and opaque. The Forestry Ministry had organized some discussions and public hearing with different relevant stakeholders. However, most NGO's and indigenous people's input were not well-responded by the government.

Is REDD the SOLUTION?

- Indonesia Government already produce three national REDD policy.
- Indonesia Government still have no exact methodology to count the reference emission level (REL/Baseline).
- Right now is applying for the World Bank FCPF R-Plan.

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- Before talking about REDD, Indonesia Government have to:
 - successfully addressing the underlying causes of deforestation and forest degradation
 - finishing the unfinished “homework” like land tenure problem.
 - recognize and respect the indigenous peoples rights.

Terima Kasih