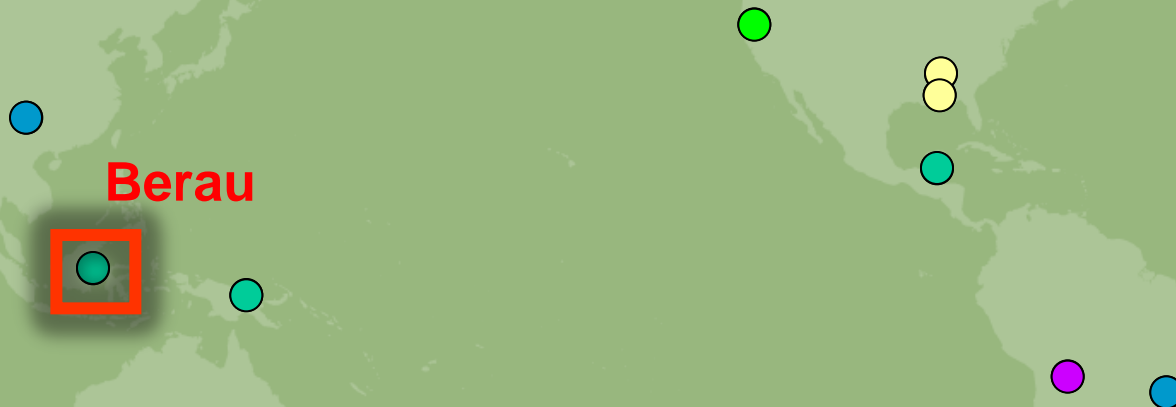




REDD Implementation: Lessons Learned from Berau, Indonesia

TNC's Global Climate Program

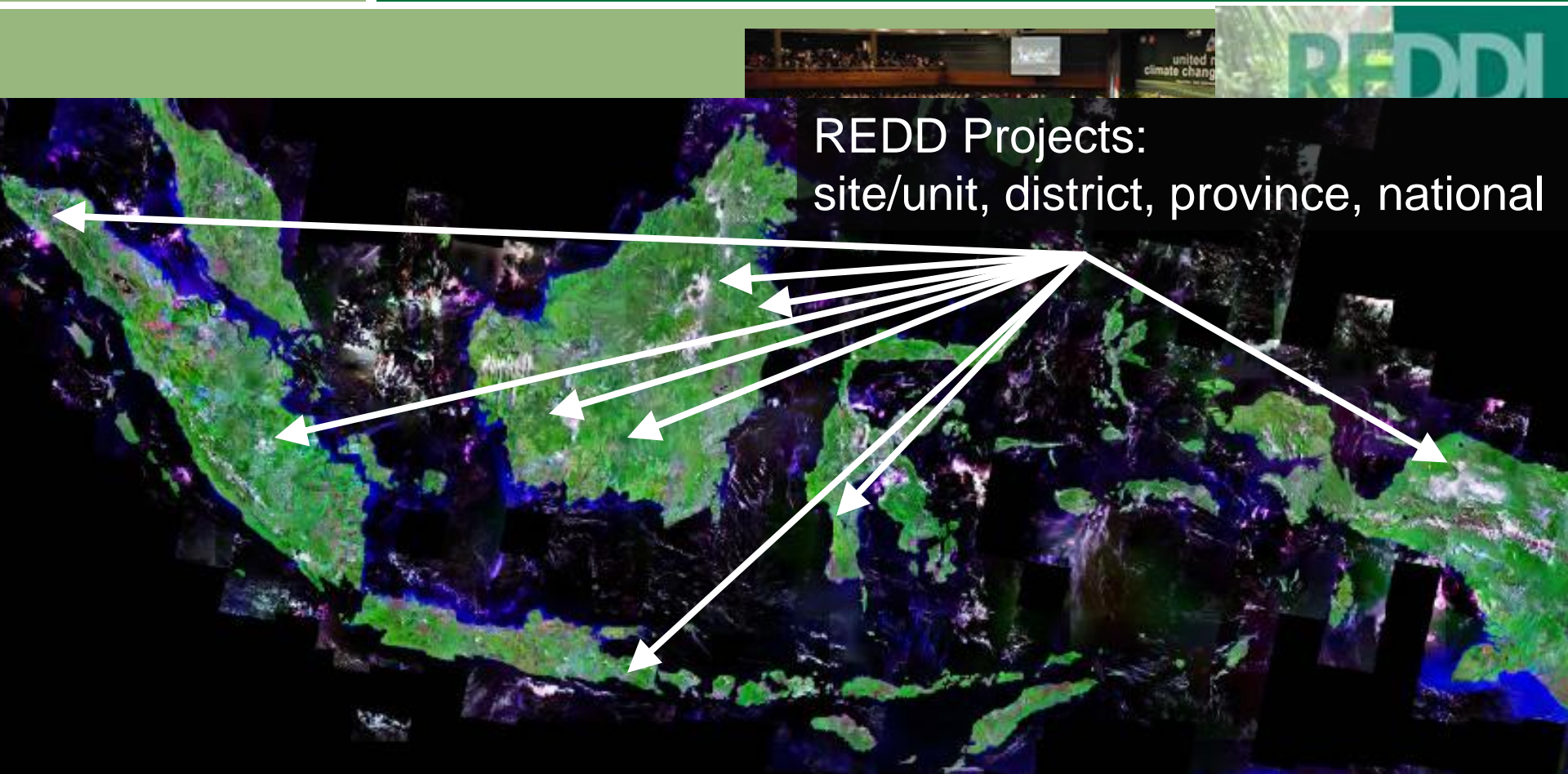
- started in 1995 with Noel Kempff project in Bolivia as schemes reforestation (Bayou Pierre and Tensas River Basin, Louisiana) conservation, sfm, community (Berau-Indonesia, Adelberts-PNG, Rio Bravo-Belize) sustainable forest management (Garcia River Forest-California) reforestation, community (Tengchong-Yunan/Cina and Guaraquecaba-Brasil) conservation, community (Noel Kempff, Bolivia)



Indonesia ~ Abegaus Diversity to forest



REDD in Indonesia ~ *fire* projects



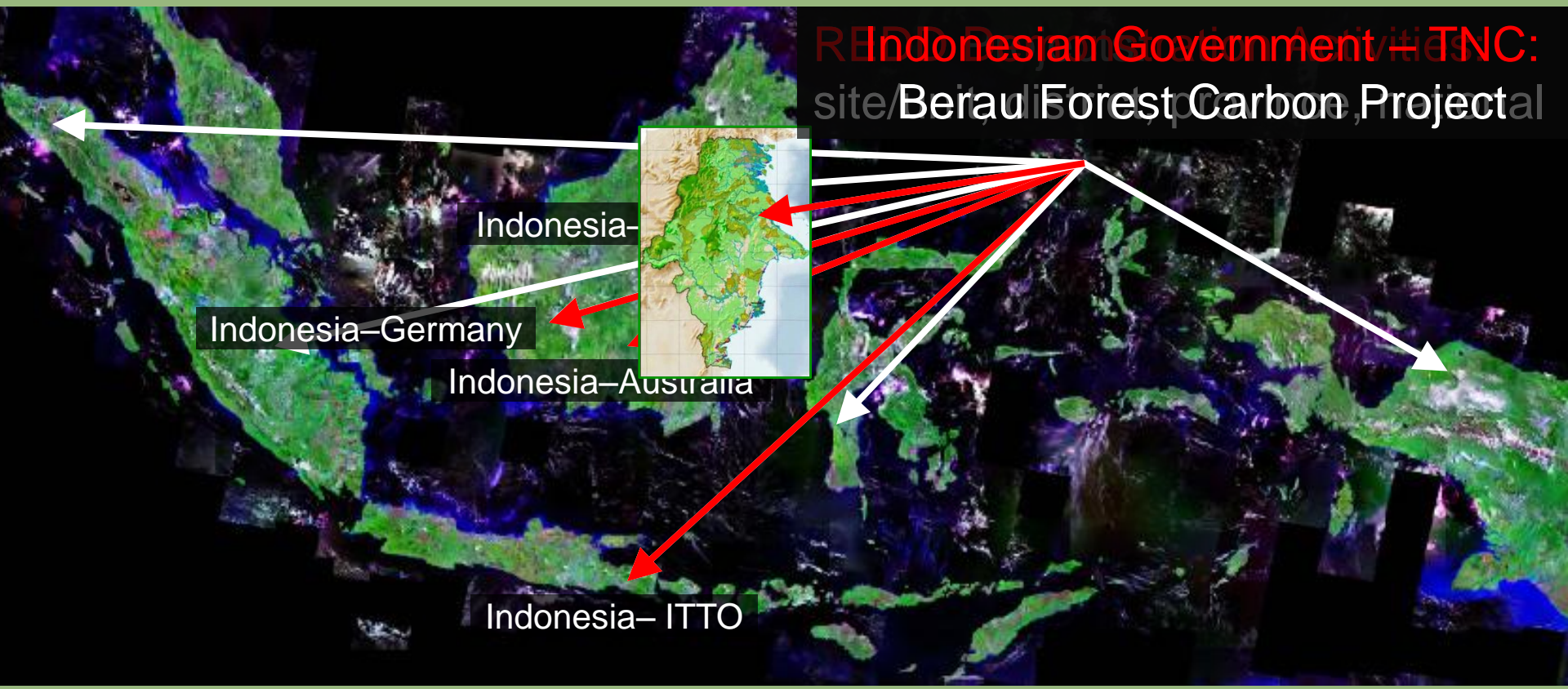
REDD Projects:
site/unit, district, province, national

- Demonstration activities

CARBON
PARTNERSHIP
F A C I L I T Y

UN Climate Change
Conference 2007
Bali - Indonesia

REDD in Indonesia ~ ~~BICAP~~ projects



REDD in Indonesian Government sites/TNC:
Berauli Forest Carbon Project

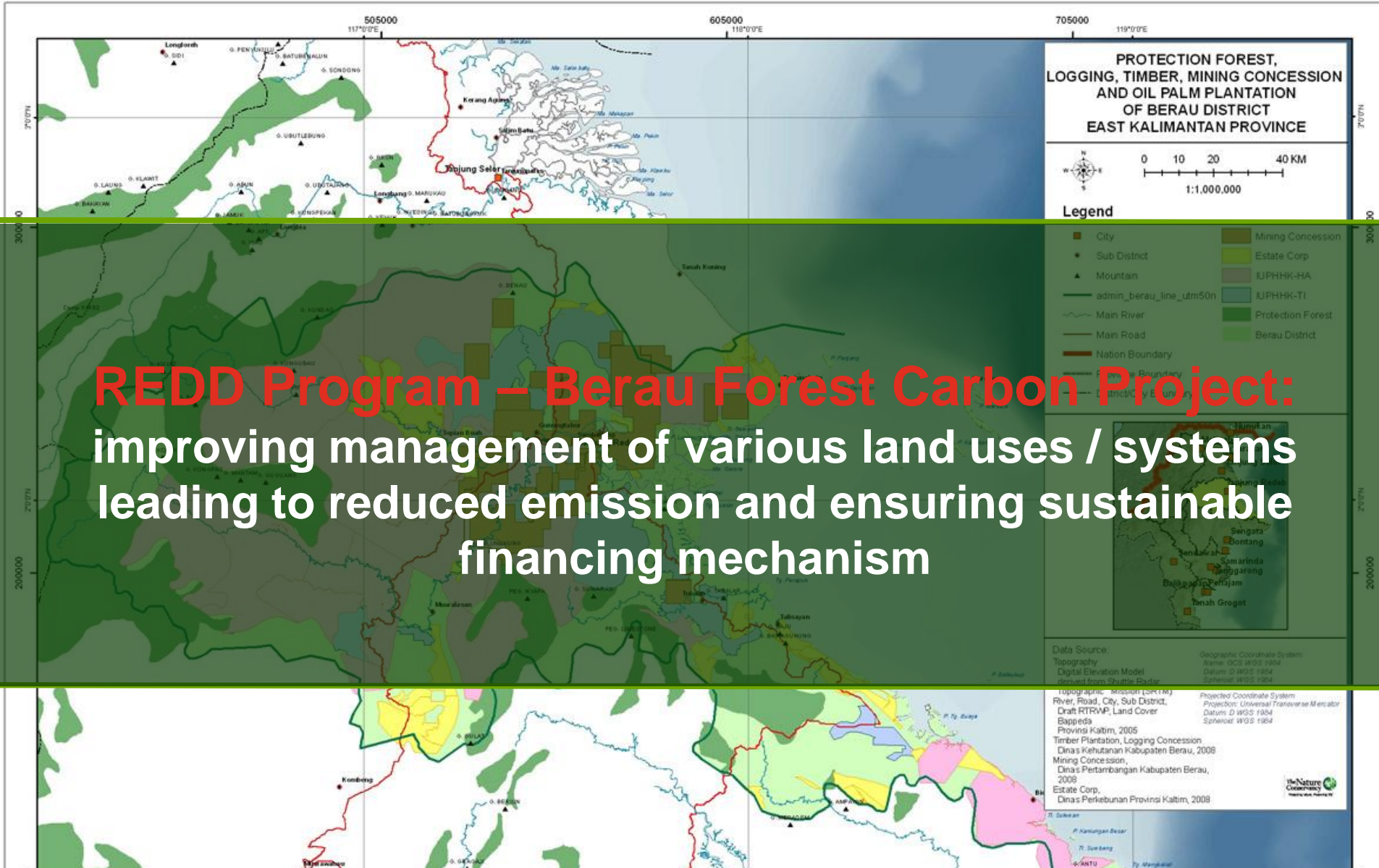
BECD - why Berau? ~ BFCP



Large sub-national Program

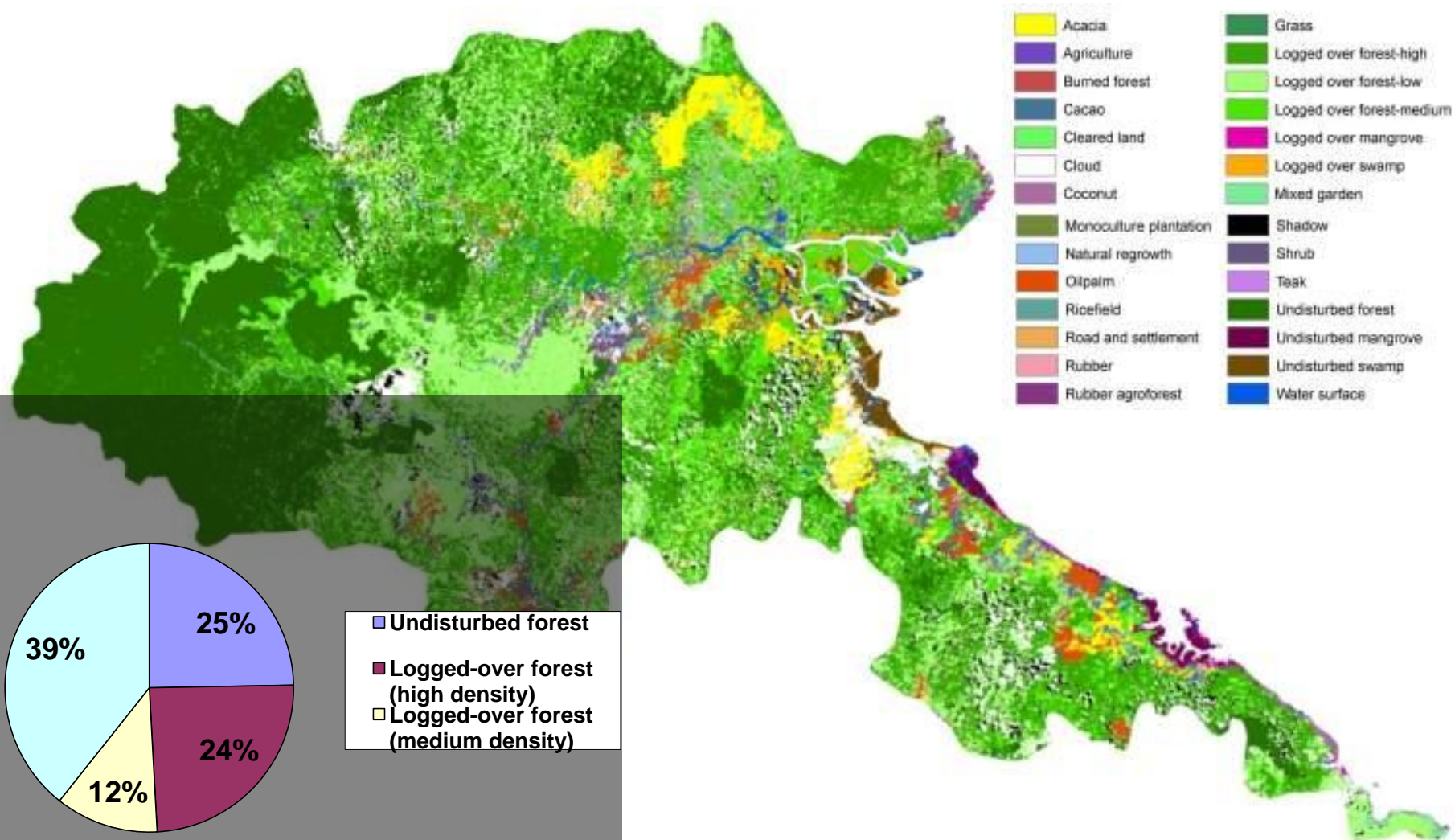
- Integration across scales and sectors
- Landscape approach – better monitoring, less leakage
- Support from decentralized government
- Probably all that is feasible
- Could be a good example / test case for national implementation

BFCP - what is REDD?



BFCP - forest cover change in Berau

2005



BFCP - challenges on the ground

Total Area ~ 2.2 Millions ha

13 Timber concessions 780,000 ha

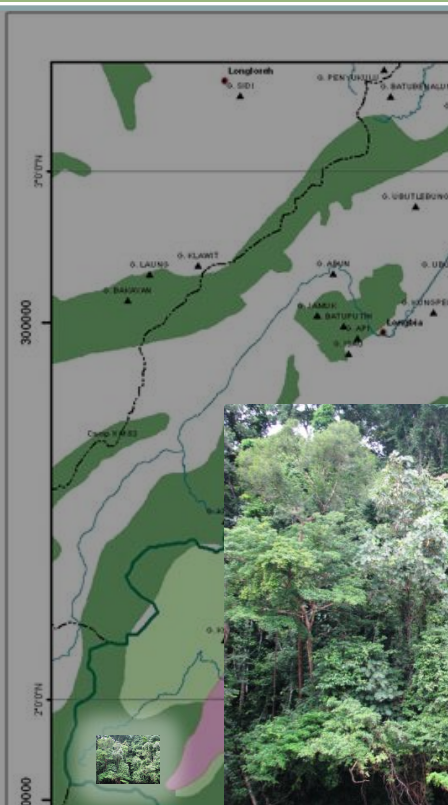
32 Oil palm concessions 189,000 ha

27 Mining concessions 185,000 ha

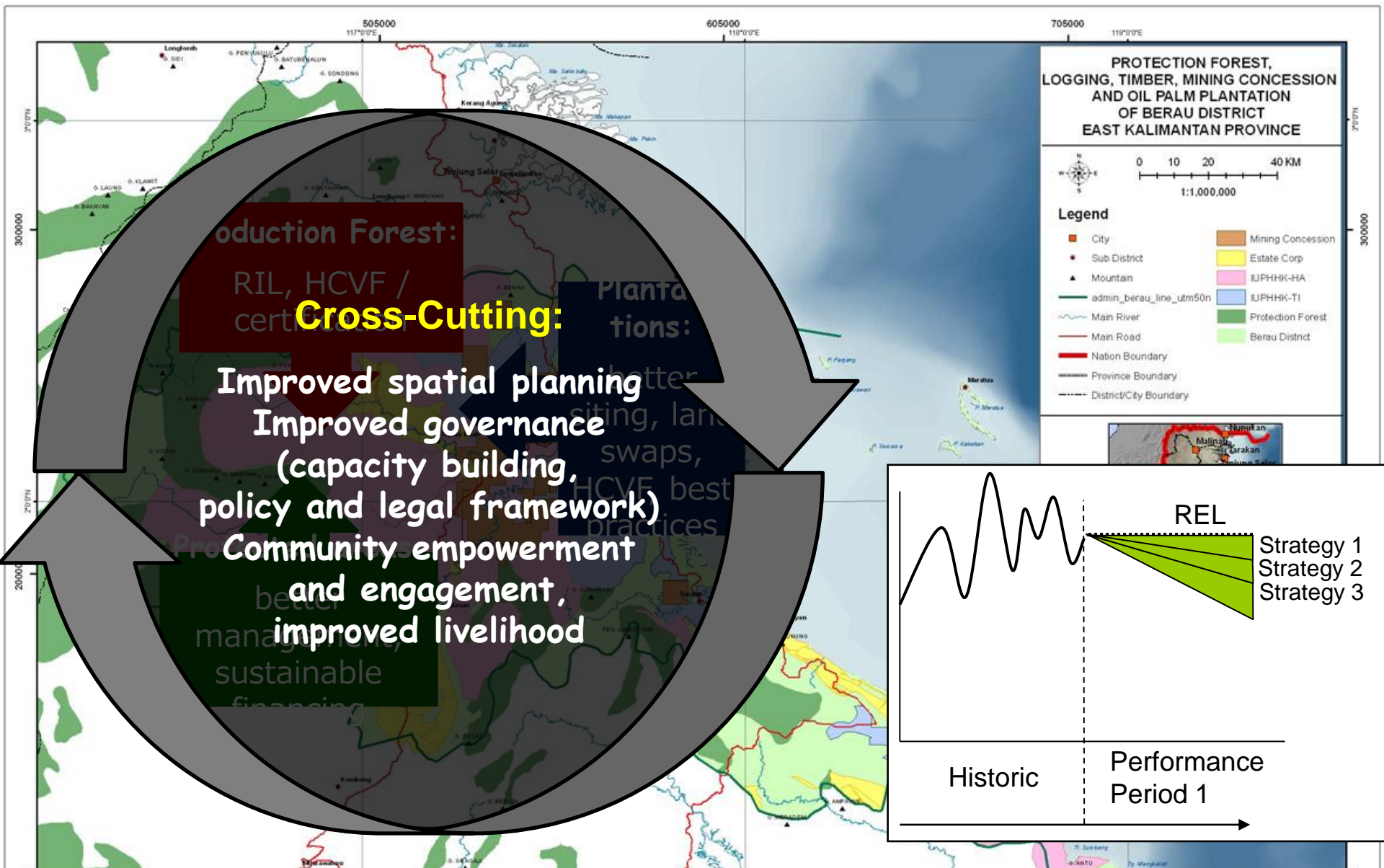
3 Timber plantation 229,000 ha

7 Protected forests 361,000 ha

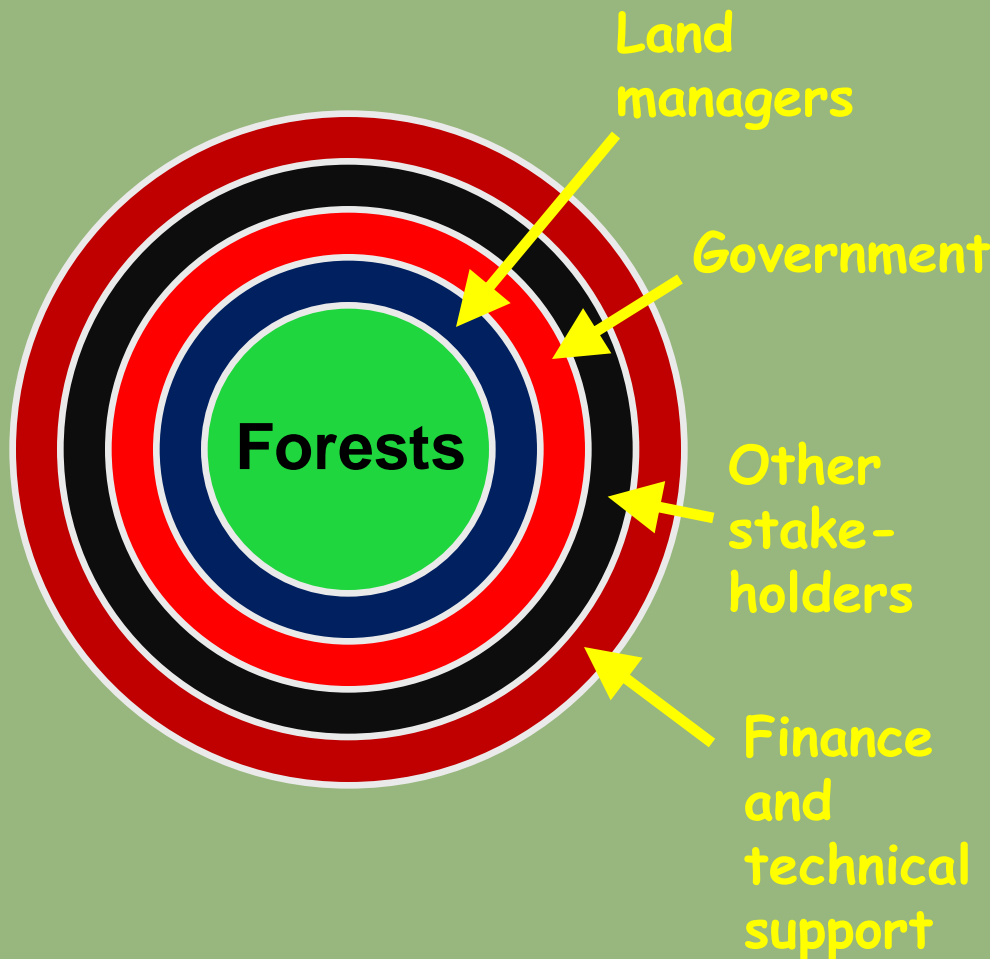
Others 456,000 ha



BFCP - strategy implementation



BFCP - partners



LAND MANAGERS

Companies (timber concessions, plantations, mining)

Communities

GOVERNMENT

District, Province, National

Various agencies: Forestry, Environment, Agriculture, Mining, Planning, Finance, National Climate Change Council

OTHER STAKEHOLDERS

Wider society in Berau

Nearby districts and communities

FINANCE & SUPPORT

Donors: USAID, AUSAid, NORAD, TNC, ?

Investors

Technical: TNC, ICRAF, Winrock, Univ. Mulawarman, Sekala, World Education, Univ. Queensland, USFS, Daemeter, WRI, etc.

BFCP - project phases

Program will seek funding for a **5-year demonstration phase**. It is expected that during that time, international finance mechanisms will be agreed to by countries enabling strategies to be scaled up and sustainable financing to be achieved

Full Implementation ???
(2013-)

Berau Forest Carbon Program Demonstration Phase (2010-2015)

Scoping (Jan-Sep 08)

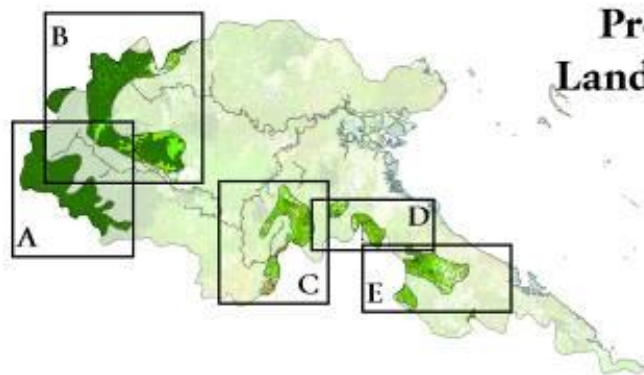
- Political support
- Situational analysis/drivers
- Rough program design hypothesis
- Identification of partners/contractors

Development (Oct 08-Dec 09)

- Baseline scenario and monitoring approach
- Refine strategies for reducing deforestation
- Legal issues
- Stakeholder support
- Funding sources
- Business plan

- Pilot site-based strategies:
 - Improved forest management
 - Forest restoration
 - *Oil palm swap*
 - Land-use planning, policies, enforcement
- Monitoring and verification
- Adaptive management
- Strategies implemented across Berau
- Monitoring and verification
- Expansion to additional districts and provinces

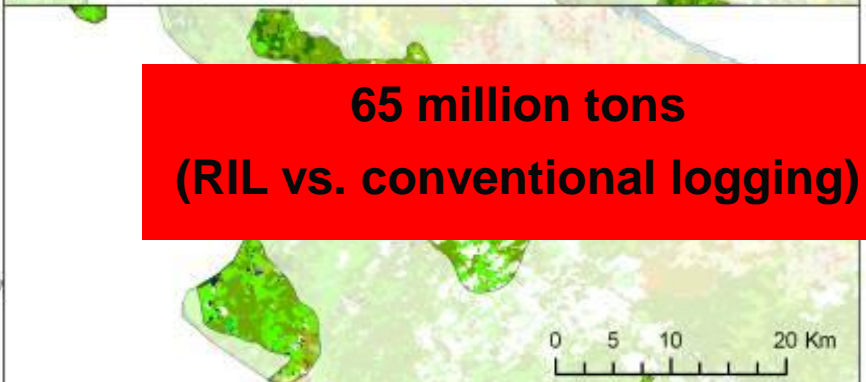
Protection Forest Land Use-Land Cover (2005)



Land Use 2005 (% Protection Forest Area)		
Protection Forests	Logged-over forest (low density) (71.0%)	Ricefield (0.07%)
Acacia (0.20%)	Logged-over forest (medium density) (6.10%)	Road and settlement (0.33%)
Burned forest (0.00%)	Logged-over mangrove (0.00%)	Rubber (0.42%)
Cacao (0.34%)	Logged-over swamp (0.00%)	Shrub (0.29%)
Cleared land (0.08%)	Mixed garden (0.04%)	Teak (0.00%)
Coconut (0.00%)	No data (5.42%)	Undisturbed forest (59.2%)
Cropland (0.03%)	Oil palm (0.41%)	Undisturbed mangrove (0.00%)
Grass land (0.73%)	Old rubber (0.00%)	Undisturbed swamp (0.00%)
Logged-over forest (high density) (14.9%)	Old shrub (0.04%)	Water body (0.24%)
	Other forest plantation (0.10%)	



**65 million tons
(RIL vs. conventional logging)**



**250+ million tons
(forest conversion to oil palm)**



**13 million tons
(potential in protection forest)**

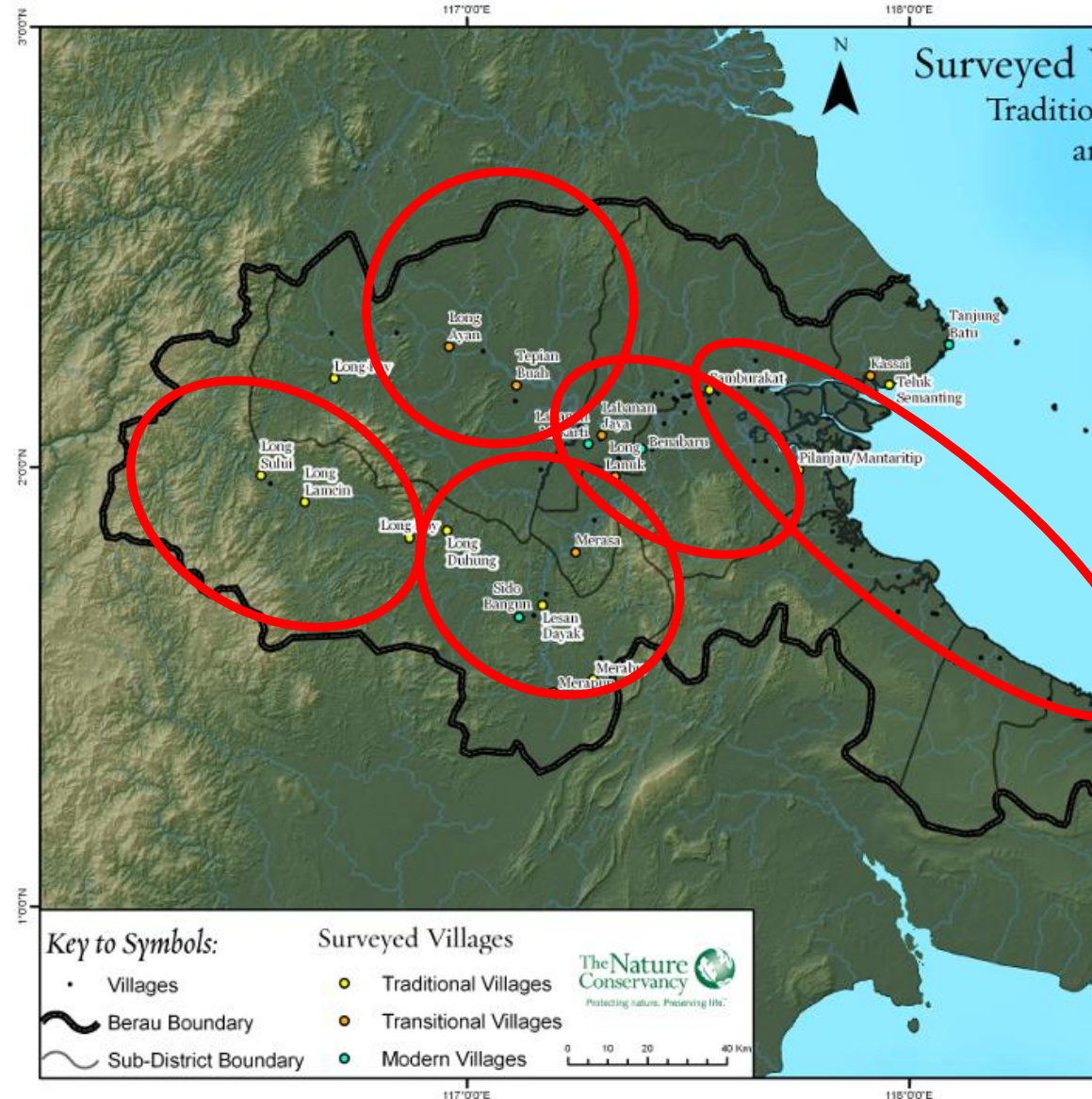
- Protection forests cover about 16% of Berau
- 32% of protection forest area is degraded
- Potential for more than 13 million tons CO₂ sequestered through enhancement of forest

Data from:
 ICRAP
 TRIMAP
 Global Forest Resources
 Administrative Boundaries
 Digitized by:

BFCP ~ Some Lessons Learned

**who,
what for, and
how to engage
local
communities?**

BFCP ~ diverse communities



UPPER KELAY

UPPER SEGAH

LOWER KELAY

LOWER SEGAH

COASTAL AREA

- Fishing communities; mostly recognize importance of mangroves
- Heterogeneous-various ethnic groups from Sulawesi (Bone, Makassar, Toraja, etc)
- Significant infrastructure development plans
- Expected immigrants will likely put more pressure on mangroves

BFCP ~ local communities position



- Institutions at village level are weak
- Lack of rights makes relations with companies conflict-prone
- Unequal power results in low compensation
- Local people often outcompeted by outsiders

BFCP ~ engaging local communities



- Strong village institutions, decision-making processes, and plans
- Increased flow of funding to villages from multiple sources
- Funds used for implementing high-leverage projects
- Transparency and community monitoring of financial management

The case for early public funding

- Substantial readiness investment required upfront
- High uncertainty will remain for several years

The case for long-term private funding

- Future emission predicted >100 mill. tons over 5 years
- 50% decrease in emissions may require \$500 million
- Funding needed is beyond public finance

- Up-front financing is critical
- Mix of public/private sources



Questions?