



Keep **the** Habitat

REDD+ Risks and Rewards

A private sector view



It's about forests, people and carbon

REDD+ driven by investment

Action → *Reaction*

Plantation investment → *Forest protection*

Forest protection → *Reduced emissions*

Reduced emissions → *REDD revenue*



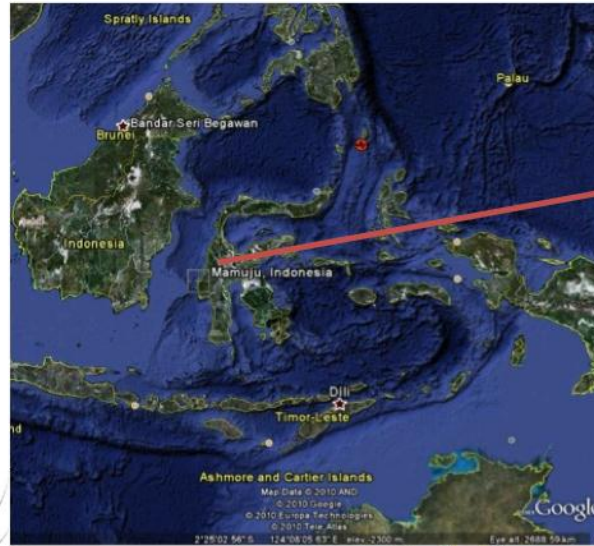
REDD+

- *50% of tropical deforestation caused by subsistence farmers*
- *Deforestation will stop when farmers have a future*
- *Future = employment and equity in planted forests and industries*
- *Planted forests protect remaining native forest*
- *Sulbar Habitat:*
 - *Forests and people of Sulawesi Barat*
 - *Profitable timber plantations, wood products and biomass electricity*
- *Based on REDD+ principles*
- *Not based on REDD+ revenue*

Sulbar Habitat

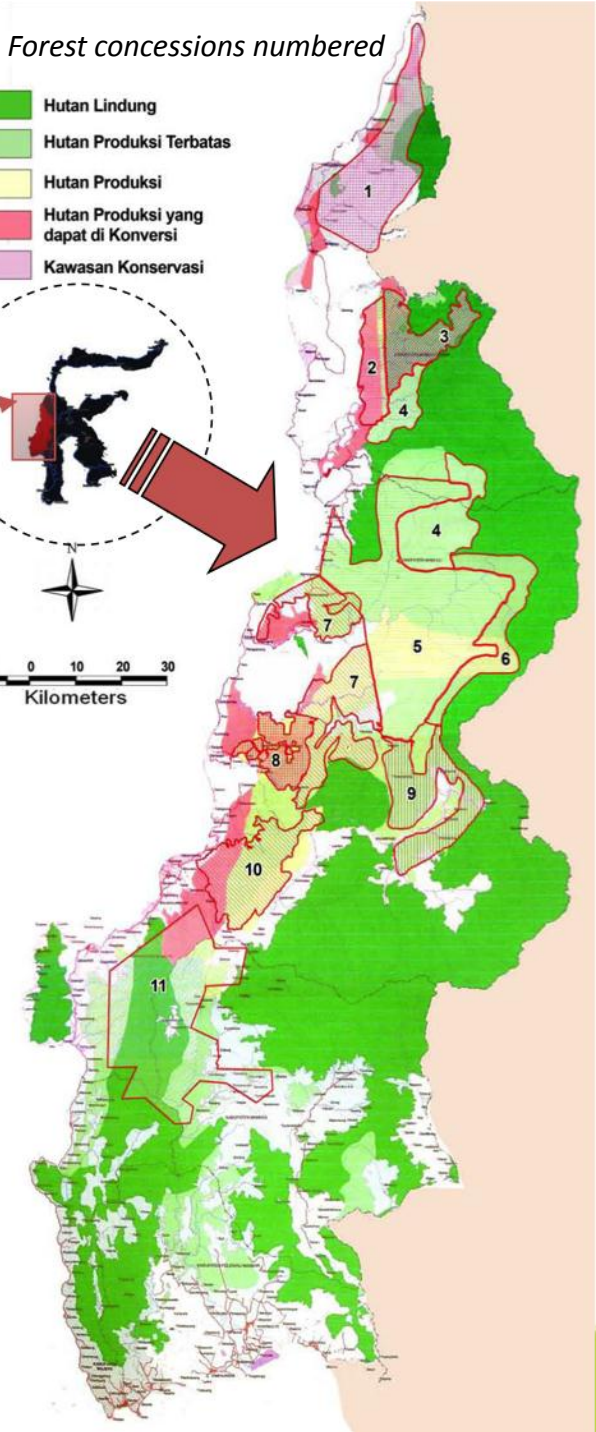
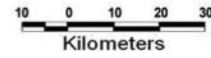
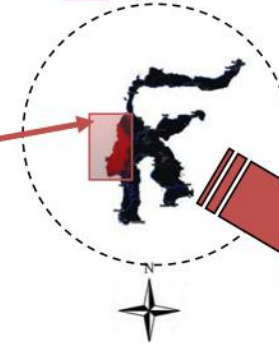


Keep the Habitat



Forest concessions numbered

- Hutan Lindung
- Hutan Produksi Terbatas
- Hutan Produksi
- Hutan Produksi yang dapat di Konversi
- Kawasan Konservasi



Collaboration



Keep the Habitat





Risks

- *Project risks*
 - *Will it work?*
- *Corporation risks*
 - *Can they be trusted?*
- *Investor risks*
 - *Can I get my money back?*
- *Reputation risk*
 - *Will it damage my brand?*

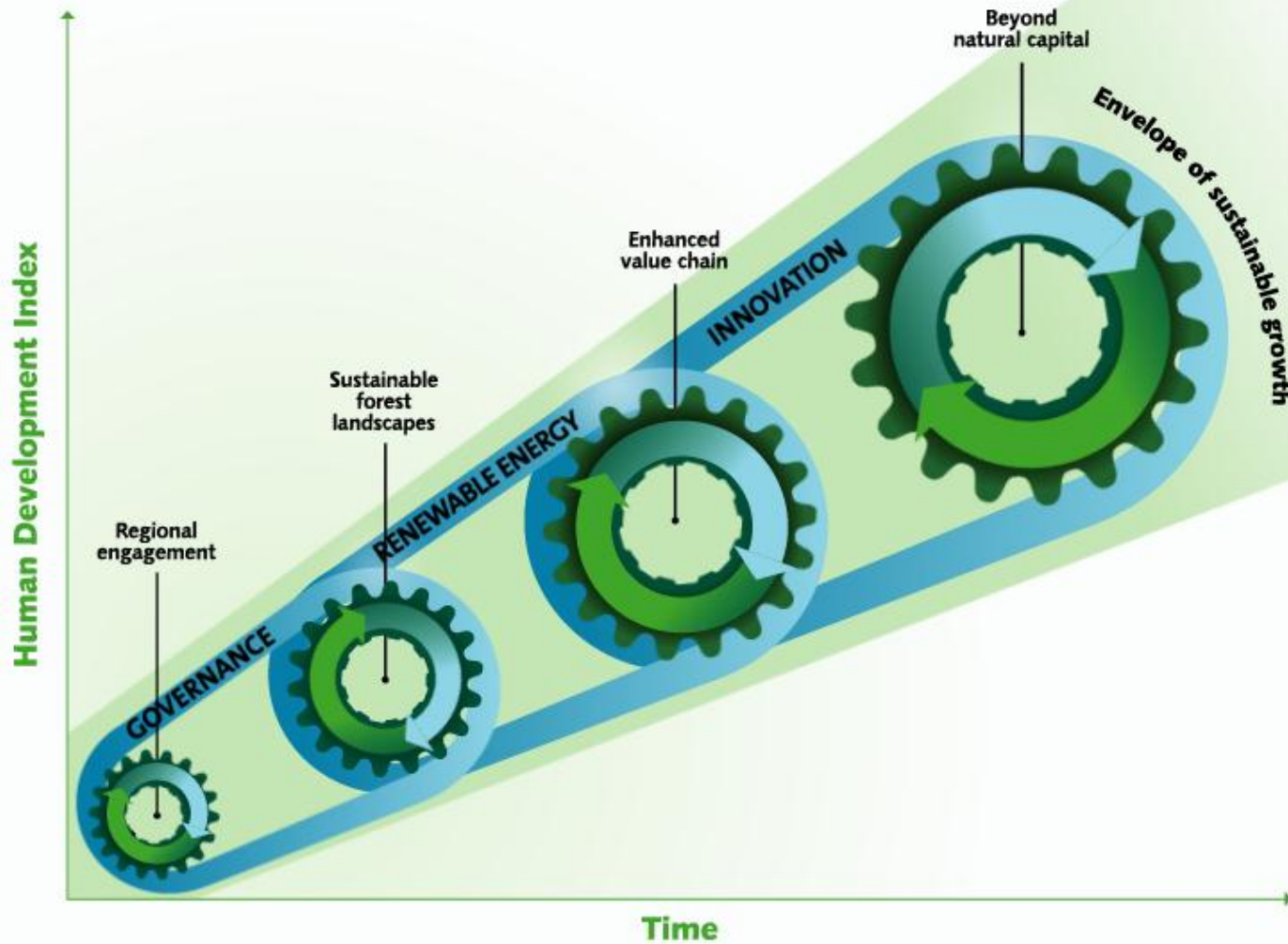


Rewards

- *Stability*
 - *Management can run the business*
- *Sustainability*
 - *Early investors can exit – mature stage investors can enter*
- *Profitability*
 - *Underpins stability and sustainability*
- *Carbon credits*
 - *A bonus*



Green Growth Gearbox



Summary

- *REDD+*
 - *Principles not prices*
- *Risks*
 - *High complexity*
- *Rewards*
 - *Profitable and worthwhile project needed by 1 million people and 800,000 ha of forest in Sulawesi Barat*

Sulbar Habitat

Sustainable Forests – Sustainable Futures

