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For immediate release

Ban on new forest concessions in Indonesia is good news for climate change, but many challenges remain

BOGOR, Indonesia (May 20, 2011) Indonesia today took a step toward cutting its carbon emissions by issuing a presidential decree banning new concessions in primary forests and on peatlands, but more stringent measures may be needed if the country is to meet its ambitious targets for cuts in greenhouse gases, the [Center for International Forestry Research](#) (CIFOR) said.

The two-year moratorium, which started May 20, 2011, is part of a bilateral agreement with Norway signed on May 26, 2010, in exchange of potentially US\$1 billion, pending verified emission cuts in Indonesia. Indonesia is the world's third-largest emitter of greenhouse gases due to the country's high rate of deforestation.

"This is a positive development," said Daniel Murdiyarso, a Senior Scientist at CIFOR. "This is a win not only for climate change, but also the preservation of the incredible biodiversity these forests hold, including orangutans, Sumatran tigers, rhinos and other endangered species. Importantly, it will prevent the loss of livelihoods of local people who depend on forests."

"This will see a large area of natural forest protected from being cleared and it will help preserve the country's carbon-rich peatlands," Murdiyarso added.

The ban on new concessions in peatland is important because new research has shown that converting peatlands into plantations produces much more carbon emissions long-term that come from turning forests on regular mineral soil into plantations. Indonesia is home to one of the world's largest areas of peatland globally. More than 100,000 hectares of peatlands in Southeast Asia are currently being converted every year into plantations for palm oil and pulpwood.

The moratorium also bans new concessions on "primary forests," which are forests still intact, having never been subjected to commercial logging condition. About 64 million hectares of primary forests remain in Indonesia.

However, of significance, the moratorium does not bar new concessions on so-called "secondary forests," which are forests that may have had some trees removed for timber or other uses. While they can no longer be considered as dense rainforest, many are still used by local communities for their daily living, rich in biodiversity, thick with flora, and relatively carbon-rich. Some 36 million hectares of forests

are classified this way in Indonesia.

The omission of secondary forests from the moratorium raises concerns about Indonesia's ability to meet its stated target to cut the country's greenhouse gasses by 26% from a 2020 business-as-usual baseline. Indonesian authorities in the past have suggested that the target could be reached partially by massive tree planting programs.

"Significant reductions in forestry emissions in Indonesia through tree planting alone would not be feasible as the number of trees needed to fully achieve emission reduction targets would require a land area twice the size of the entire country," said Louis Verchot, CIFOR's Principal Climate Change Scientist. "Instead, emission reduction efforts need to focus on keeping existing forests as forests."

While the moratorium will prevent the issuance of new forestry concessions in much of the country, it will not necessarily stop, or perhaps even slow, the rate of deforestation in the short-term. Large numbers of concessions have been issued in recent years that have not yet been developed.

Some palm oil and pulp companies have criticized the moratorium, claiming it will hurt their businesses and may lead to a loss of jobs for thousands of Indonesians employed in the sector. However, Verchot says this is unlikely to happen.

"Many of these companies are sitting on several large concessions that they have not developed," he said. "This will not put much of a crimp on the industry."

However, there are many essential elements necessary for the moratorium to work, including clear delineations of lands no longer eligible for concessions, an effective mechanism to control illegal logging, and a transparent system for monitoring deforestation and forest degradation.

"While we have a long road ahead of us and many enormous challenges remain, this announcement is a positive first step," Verchot said.

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The Center for International Forestry Research (CIFOR) advances human wellbeing, environmental conservation and equity by conducting research to inform policies and practices that affect forests in developing countries. CIFOR helps ensure that decision-making that affects forests is based on solid science and principles of good governance, and reflects the perspectives of developing countries and forest-dependent people. CIFOR is one of 15 centres within the Consultative Group on International Agricultural Research.

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