NATURAL CLIMATE SOLUTIONS



East Kalimantan Sustainable Forest Management

5% of the world's wild orangutan live in East Kalimantan

80% - pledge to cut deforestation by 2025

60% of Indonesia's Paris emissions commitment can be delivered by forests and peatlands

1,000 tonnes of $CO_2 e$ less per US\$1 million GDP by 2030 WHY WE LOVE THIS STORY The evolution of East Kalimantan to becoming a pioneer in forest-friendly, low-carbon growth is a testament to the value of strong leadership and collaboration – and the need to think big, work small and embrace complexity. Its long-term vision of transformational change is enhancing lives and protecting wildlife locally, while conserving nature on a globally significant and inspirational scale.

Where are we?

East Kalimantan is an Indonesian province on the island of Kalimantan spanning an area of just under 50,000 square miles, over half of which is covered by 18 million acres of tropical forest. It is one of Indonesia's wealthiest provinces, both ecologically and economically, but the region is grappling with a 30-year legacy of forest depletion and degradation caused by logging, palm oil production and mining, further exacerbated by raging forest fires. The loss of East Kalimantan's forest is a threat to its economic stability, the peace and prosperity of its population, and its extraordinary biodiversity – which includes 5% of the world's remaining wild orangutan.

As Indonesia's tropical forest is the third largest and most diverse in the world, this is a crisis of global importance in the fight against climate change and biodiversity loss. Without a reversal of deforestation trends, the ability of Indonesia's forests and peatlands to deliver 60% of its Paris Climate Agreement carbon emissions reduction targets will be in jeopardy.

Fortunately, over the past 10 years, East Kalimantan has been ramping up the capacity, plans and ambition needed to transition to a sustainable, forest-friendly model of development. Led by the Provincial Government, in close collaboration with



The Nature Conservancy and a consortium of local authorities, NGOs, experts, and companies, this culminated in the 2017 launch of the groundbreaking East Kalimantan Green Growth Compact.

What's new here?

The Green Growth Compact is the fruit of an exceptional combination of factors: visionary leadership at the provincial level; forest communities motivated by acute environmental pressures; NGOs able to mobilize local capacity; logging and palm oil companies recognizing the need for change; global initiatives like REDD+ and the Paris Agreement; and rising awareness of the destructive impacts of climate change. These forces coincided to make East Kalimantan a world leader in natural climate solutions. At the heart of the Green Growth Compact are two interrelated targets:

- to cut deforestation by at least 80% by 2025 while restoring forest to make up for the remainder; and
- to increase economic growth by 8% while reducing emissions by 1,000 tonnes of CO₂e per US\$ 1 million GDP by 2030.

Spearheading the achievement of these bold targets are a set of prototype initiatives that are pushing the boundaries of cross-sectoral collaboration in Indonesia. TNC is engaged in a project that encapsulates this – the Essential Ecosystem Area for Orangutan in the Wehea-Kelay landscape, which covers an area of more than 1 million acres. It is Indonesia's first public-private-community partnership prioritizing smart forest management practices to protect orangutan habitat.

Can we replicate this work?

The success of the Green Growth Compact depends on scaling up successful local initiatives. Since 2010, TNC has been a catalyst behind the Berau Forest Carbon Program (BFCP), an initiative that is now one of the pillars of the Green Growth Compact. BFCP aims to secure 1 million acres of forested land under effective management and to protect the orangutans' habitat. The work is based around the TNC-developed Communities Inspiring Action for Change ("SIGAP") approach, i.e. an approach to building village capacity that undertakes proper village and land use planning to protect their forests against illegal logging and poaching, replant degraded areas and develop green livelihoods, all of which reduce carbon emissions. Communities are also helped to secure rights over their forest areas and access funding opportunities. The SIGAP model has so far been replicated in 99 villages in Berau District and is set to expand further under the Green Growth Compact, which plans to help hundreds of villages launch smart land use plans.

We are also working with the government and natural forest logging concessions to advance sustainable forest management (SFM) certifications and expand Reduced Impact Logging Carbon practices across East Kalimantan under the Forest Carbon Partnership Facility – Carbon Fund scheme, which TNC work has shown can cut carbon emissions by as much as 50%.

In addition to the Essential Ecosystem Area for Orangutan in the Wehea-Kelay landscape, public-private-community partnership is promoted in East Kalimantan to protect remaining essential ecosystem by undertaking sustainable management practices.

What's next?

East Kalimantan's Provincial Climate Change Council is currently overseeing and supporting its partners to implement prototype initiatives as the main vehicles for implementing the Green Growth Compact. Actions include supporting and accelerating the implementation of 11 prototype initiatives which include, / Collaboration is key to keeping the forests of East Kalimantan safe and fighting back against global climate change. The Conservancy is showing a wide range of parties that sustainable forest management yields benefits for people as well as ecosystems. // Herlina Hartanto, Interim Executive Director, Yayasan Konservasi Alam Nusantara*

among others, (i) the acceleration of the establishment of Forest Management Units (FMUs) by the provincial government that provide added capacity at the field level to manage the forest estate, while also supporting companies and communities in their forestry operations. This includes developing FMU managers' capacity in sustainable forest management and conflict resolution, as well as building financial self-sufficiency through innovative business models; (ii) working with the palm oil sector to support implementation of a commitment by provincial and district leaders to protect more than 400,000 ha of forest within areas slated for oil palm development. We are doing this primarily by developing tools to identify areas best suited for development, avoid conversion of high conservation value forest areas, and finance forest conservation through offsetting commitments; and (iii) strengthening the implementation of social forestry to achieve the target area of more than 600,000 hectares.

The ultimate goals of the province's sustainable transformation are to conserve what remains of one of the world's most biologically rich forests, enhance opportunities for its people, save the imperilled orangutan, and prevent the release of vast reserves of forest carbon. Its success should inspire similar ambition in Earth's other biodiversity hotspots.

Additional benefits

East Kalimantan's natural capital is interwoven with the wellbeing of its nearly 3.5 million people. Community initiatives like SIGAP help villages and indigenous communities to obtain clear rights over their forests and resolve boundary disputes between neighboring villages. Sustainably managed forests can also boost incomes from non-timber forest products, including honey, resins and rattans; create opportunities for ecotourism; reduce flooding and sedimentation; and lessen the risk of fires, like those that engulfed the region in 2015. The Green Growth Compact needs everyone to make it happen and everyone stands to benefit from its success.

* All TNC work in Indonesia is being carried out by Yayasan Konservasi Alam Nusantara, an affiliate of The Nature Conservancy.

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