

# Indonesia's Moratorium on Deforestation: One Year On

May 2012

## Protecting Forests for the Climate: Indonesia's Commitment

In 2009, President Yudhoyono announced an ambitious goal for the reduction of Indonesia's greenhouse gas (GHG) emissions of 26% by 2020<sup>1</sup>, and up to 41% with international support. Given that the vast majority (around 80%) of Indonesia's GHG emissions result from deforestation and land use change, in addition to the drying, decomposing and burning of peatland<sup>2</sup>, it is in the forestry and agriculture sectors that emissions cuts are crucial to setting the country on a low-carbon development pathway, while maintaining economic growth at 7% per year.<sup>3</sup>

## Why the moratorium is needed

The moratorium was declared in order to create the breathing space needed to accurately assess the state of Indonesia's forests and then to overhaul and strengthen forest governance, including a solution for land tenure conflicts with local communities. But, one year after its entry into force, the moratorium has yet to fulfil its purpose.

In order for Indonesia to achieve the ambitious emissions reduction goals that it has set itself, the moratorium needs to be strengthened, by including a review of existing concessions containing peat land and forests, and extended beyond the current two-year term. The moratorium should remain in place until governance reform and adequate forest and peatland protection have been achieved rather than being time-bound.

## The Indonesia/Norway Deal

The two-year moratorium on new concessions for the conversion of primary forests and peat lands, announced in a May 2011 Presidential Instruction<sup>4</sup> within the framework of a 1bn US dollar deal with Norway, could be an important step towards achieving Indonesia's emissions reduction goal. However, during the negotiations between the two countries, following the signature of a Letter of Intent<sup>5</sup> in 2010, it quickly became clear that freezing the allocation of new concessions and halting the conversion of primary forests and peat lands into plantations or mining concessions was fraught with difficulties.

Norway proposed a results-based approach as the cornerstone of an effective REDD (Reducing Emissions from Deforestation and Degradation) financing mechanism, making it clear that it would not pay to protect Indonesia's forests unless there was a verifiable reduction in deforestation<sup>6</sup>.

## Moratorium Report Card

While the launch of the moratorium was a big step forward, it hasn't yet fulfilled its potential, and there are several reasons for this.

First, many areas were already protected under previously existing legislation. The Presidential Instruction on the suspension of new concessions affords some additional protection to Indonesia's peatlands deeper than 3 metres. Under the current moratorium, Indonesia's Ministry of Forestry revises the indicative moratorium map every 6 months.

*A two-year time-bound moratorium without clear indicators for success sets this very good initiative up to fail.*

Analysis of the original indicative moratorium map (June 2011) by the Union of Concerned Scientists concludes that the suspension on issuing new concessions applies to 42.5m hectares (Mha) of primary forests and peatlands, and shows that once existing protection mechanisms are taken into account (e.g. legal conservation status, steep slopes, and peat deeper than 3 metres), the moratorium only protects approximately 13.7 Mha (13%) of Indonesia's primary forests and peatlands, containing 16% of Indonesia's biomass and peat carbon<sup>7</sup>.

This leaves almost 50% of Indonesia's primary forests and peatland without any protection.

### Why Urgent Action is needed now

The need for a more extensive protection of peatland areas and forests is urgent. The moratorium must be strengthened and extended for the sake of the climate, for the millions of people who depend on forests for their livelihood and for the survival of protected species threatened with extinction, such as the Sumatran tiger, the orang-utan and the ramin tree, as shown in Greenpeace International's recent Ramin Paper Trail investigation<sup>8</sup>. A two-year, time-bound moratorium without clear indicators for success sets this very good initiative up to fail.

The urgency of action needed to strengthen the moratorium became even more evident after the first revision of the moratorium map in November 2011. Greenpeace analysis of the revised map shows that there has been a massive reduction in the protected areas. 3.5 Mha of peatland has been omitted from the moratorium area in the revised map<sup>9</sup>.

A second weakness of the moratorium is the exclusion of crucial habitats and peatlands in secondary forests, which can have high carbon content and ecosystem values.

Third, since the moratorium only applies to new concessions, the existing 4.9 Mha of primary forests and peatlands already under concession are exempted from it<sup>10</sup>. The allocations of new mining and agriculture concessions for food and energy production are also exempted. Recent research<sup>11</sup> also shows that there have been clearings in primary forests protected under the moratorium in the first four months of its establishment. The most well-known case of such violations of the moratorium is the allocation of permits for new palm oil concessions in Tripa, Aceh province<sup>12</sup>.

Finally, there still are many problems with land demarcation and land tenure, which often lead to intense social conflict, as seen recently in the case of the Pulau Padang communities off the east coast of Sumatra<sup>13</sup>. Solving these and other governance problems is crucial for the establishment of an effective results-based REDD scheme.

### Getting the Moratorium back on Track

In order for the moratorium to fulfil its role in halting deforestation, ensuring peatland protection and paving the way for a significant reduction in Indonesia's GHG emissions, Greenpeace is proposing that three key improvements need to be made to the existing moratorium:

1. The Indonesian government should immediately start a review of existing concessions and withdraw those that have been obtained in violation of its legislation and/or are located in high conservation value (HCV) or high carbon store (HCS) forests. GHG emissions calculations show the substantial amount of emissions that could be avoided if such a review would take place<sup>14</sup>. In parallel, an independent national monitoring system for deforestation should be developed to bring greater transparency to the process, put in place effective monitoring and enforcement and empower local communities, including the protection of their rights to access to and control of their living space.
2. The moratorium should be strengthened by including all secondary forests that harbour substantial carbon stocks or have a high biodiversity value. All lands that are considered high carbon stock should be included in the moratorium<sup>15</sup>, following the lead of Indonesian palm oil producer, Golden Agri Resources (GAR) to limit its plantation establishment to existing agricultural areas, grasslands or degraded forests.
3. A renewal of the moratorium and an extension of its time line until clear indicators of success have been fulfilled, with a clear pathway to achieve these indicators, are crucial to instigate a truly results-based moratorium as a key instrument for the establishment of a successful, equitable and transparent REDD mechanism.

## Recommendations

### **Greenpeace is calling on Indonesia's President and the Indonesian government to:**

- Strengthen and renew the moratorium on any further destruction of Indonesia's rainforests, to ensure the immediate protection of carbon and biodiversity rich peatlands and forests;
- Immediately initiate a review of existing concessions and, to commit to zero deforestation by 2015.

The moratorium should remain in place until governance reform and adequate forest and peatland protection have been achieved.

**Norway** should urgently use its leverage to encourage the Indonesian government to instigate a results-based moratorium beyond the initial two years, initiate a review of existing (palm oil and forestry) concessions, and address governance reform, while committing to zero deforestation by 2015.

**Other donor countries** should support Norway and encourage the government of Indonesia to strengthen and renew the moratorium on any further destruction of Indonesia's rainforests and to ensure the immediate protection of carbon rich peatlands, to immediately initiate a review of existing concessions, to address governance reform and to commit to zero deforestation by 2015.

All companies involved in the forestry and plantation sectors should follow GAR's lead and commit to no further expansion into peatlands or forested areas with high carbon and conservation values. They should also work with the Indonesian government to strengthen and renew the moratorium (halt) on any further rainforest and peat land destruction.

For more information, contact:  
[yuyun.indradi@greenpeace.org](mailto:yuyun.indradi@greenpeace.org)

Greenpeace International  
Ottho Heldringstraat 5,  
1066AZ, Amsterdam,  
The Netherlands  
Tel: +31 20 7182000

**[greenpeace.org](http://greenpeace.org)**

- 
- 1 The Jakarta Globe, 22 November 2009. Greenpeace Calls Out SBY to Act on Indonesia's Emissions, <http://www.tff-indonesia.org/index.php/en/the-jakarta-globe/170-greenpeace-calls-out-sby-to-act-on-indonesias-emissions>
  - 2 Fact Sheet Norway-Indonesia Partnership REDD+, 25 May 2010. <http://www.norway.or.id/PageFiles/404362/FactSheetIndonesiaGHGEmissionMay252010.pdf>
  - 3 Keynote Address By H.E. Dr. Susilo Bambang Yudhoyono, President of the Republic of Indonesia at the Business Summit for the Environment, Global Summit 2011, Jakarta, 28 April 2011. <http://www.presidensby.info/index.php/eng/pidato/2011/04/28/1616.html>
  - 4 The official name of the moratorium is: Instruction of the President of the Republic of Indonesia, Number 10, 2011 regarding the Suspension of Granting New Licenses and Improvement of Natural Primary Forest and Peatland Governance, see - [http://www.daemeter.org/wp-content/files/INPRES-10\\_2011\\_\\_EN.pdf](http://www.daemeter.org/wp-content/files/INPRES-10_2011__EN.pdf)
  - 5 Letter of Intent between the Government of the Kingdom of Norway and the Government of the Republic of Indonesia on "Cooperation on reducing greenhouse gas emissions from deforestation and forest degradation", 26 May 2010. [http://www.norway.or.id/PageFiles/404362/Letter\\_of\\_Intent\\_Norway\\_Indonesia\\_26\\_May\\_2010.pdf](http://www.norway.or.id/PageFiles/404362/Letter_of_Intent_Norway_Indonesia_26_May_2010.pdf)
  - 6 Ibid.
  - 7 Union of Concerned Scientists, Greenpeace and World Resources Institute, Indonesia's Moratorium on New Forest Concessions: a review, [http://www.ucsusa.org/assets/documents/global\\_warming/indonesia-moratorium-forest-carbon-stocks-summary.pdf](http://www.ucsusa.org/assets/documents/global_warming/indonesia-moratorium-forest-carbon-stocks-summary.pdf)
  - 8 Greenpeace, 1 March 2012. Asia Pulp and paper under investigation Part Two . The Ramin Paper Trail, <http://www.greenpeace.org/international/Global/international/publications/forests/2012/Indonesia/RaminSummary.pdf>
  - 9 Greenpeace, May 2012. Analysis of changes: Indonesia moratorium map June 2011 vs November 2011, [http://www.greenpeace.org/international/Global/international/publications/forests/2012/Indonesia/analysis\\_of\\_changes\\_imm.pdf](http://www.greenpeace.org/international/Global/international/publications/forests/2012/Indonesia/analysis_of_changes_imm.pdf)
  - 10 Greenpeace, May 2012. Actual areas covered by Indonesia moratorium map revision & (November 2011), excluding areas protected by other mechanisms, [http://www.greenpeace.org/international/Global/international/publications/forests/2012/Indonesia/actual\\_areas\\_covered\\_by\\_IMM\\_revision1.pdf](http://www.greenpeace.org/international/Global/international/publications/forests/2012/Indonesia/actual_areas_covered_by_IMM_revision1.pdf)
  - 11 Kremen Austin, Stuart Sheppard and Fred Stolle, World Resources Institute Working Paper, February 2012. Indonesia's Moratorium on New Forest Concessions: Key Findings and Next Steps, [http://pdf.wri.org/working\\_papers/indonesia\\_moratorium\\_on\\_new\\_forest\\_concessions.pdf](http://pdf.wri.org/working_papers/indonesia_moratorium_on_new_forest_concessions.pdf)
  - 12 End of the Icons, Press Release, 17 April 2012, Investigation Result from REDD+ Task Force in Tripa, <http://endoftheicons.wordpress.com/2012/04/17/press-release-investigation-result-from-redd-task-force-in-tripa/>
  - 13 REDD Monitor, 20 January 2012. Guest Post: Indonesia's moratorium map fails to include data on settlements and smallholder farms, <http://www.redd-monitor.org/2012/01/20/guest-post-indonesias-moratorium-map-fails-to-include-data-on-settlements-and-smallholder-farms/>
  - 14 Earl C. Saxon and Stuart M. Sheppard, 25 January 2012. Carbon Stocks on Land Subject to Indonesia's Forest Moratorium, [http://www.ucsusa.org/assets/documents/global\\_warming/indonesia-moratorium-forest-carbon-stocks-technical-paper.pdf](http://www.ucsusa.org/assets/documents/global_warming/indonesia-moratorium-forest-carbon-stocks-technical-paper.pdf)
  - 15 GAR has developed a workable and cost effective methodology, in collaboration with The Forest Trust (TFT) and Greenpeace, to define and identify areas of HCS forest in order to enable HCS conservation, as part of the implementation of its Forest Conservation Policy (FCP). A provisional threshold for HCS was defined as greater than 35 tonnes carbon per hectare (t C/ha). See also <http://www.goldenagri.com.sg/110209%20Golden%20Agri-Resources%20Initiates%20Industry%20Engagement%20for%20Forest%20Conservation.pdf>