

Rights, forests and climate briefing series – October 2011

# CENTRAL KALIMANTAN: REDD+ and the Kalimantan Forest Carbon Partnership (KFCP)

In December 2010, Central Kalimantan was chosen by the President of Indonesia as the pilot province for Indonesia's REDD+ efforts, funded by the government of Norway. In May 2011, however, the Regional Secretary of Central Kalimantan noted that the provincial government was still waiting for Jakarta to establish a legal basis for the Pilot Province status, such as through a Presidential Decree.

Although at the national level a legal basis has yet to be established for the pilot province, the provincial government has prepared a number of policies to support the pilot province plan. The Governor of Central Kalimantan, Teras Narang, issued a Decree in 2010 on the Creation of Regional Board on Climate Change. The policy is relevant to matters related to customary lands and indigenous peoples, which are two important issues requiring close attention from the government, as highlighted in international negotiations on climate change and REDD. The Governor and the provincial government have issued several other regulations relevant to REDD+, namely (i) a Governor's Decree on the Status, Position and Function of *Kedamangan*<sup>1</sup> Institutions (*Kedamangan* are traditional inter-village institutions involved in natural resource governance); (ii) a provincial law on the Determination of *Kedamangan* Territory and Obligations of the *Damang* Head; (iii) a provincial law in 2008 on Customary Institutions of Dayak communities; and (iv) a Governor's Decree on Customary Land and Customary Rights to Land.

One of the important aspects of these laws and decrees relevant to REDD+ is a planned inventory of the territories of customary communities. The implementation period set by the provincial government for conducting the inventory is six years. Two years have already passed, however, and no significant progress



Map of Central Kalimantan

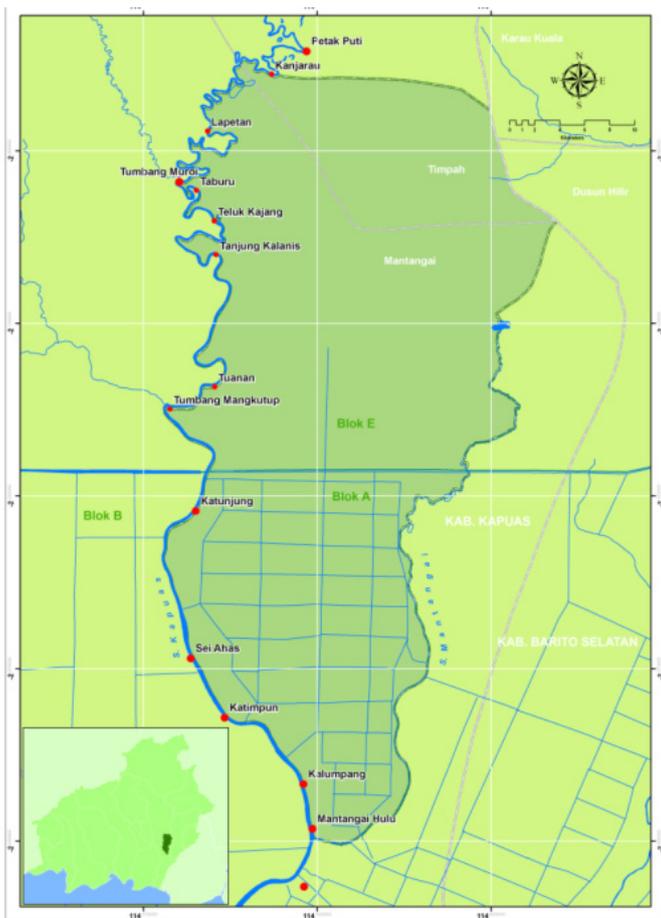
has been made in making the inventory. This raises significant concerns about the provincial government's commitment to respecting the land rights of indigenous peoples and local communities.

The population of Central Kalimantan province is 2.5 million, and is growing by 2% annually. Most people live in rural areas and make a living from agriculture and fishing. In Mantangai Hulu village, Mantangai sub-district, Kapuas district – where Pusaka and the Forest Peoples Programme are cooperating with the local community – most of the villagers are rubber farmers. They live along the banks of the Kapuas River and all families use the river for washing, fishing and transport. Mantangai Hulu is one of seven villages where the Australian-Indonesia Kalimantan Forest Carbon Partnership (KFCP) project will be implemented.

1 A unit of indigenous people incorporating several villages

Given the pressures on land from plantation companies in Central Kalimantan and the lack of secure land tenure for communities, there is a strong tendency for villagers to sell their lands to plantation companies or speculators. Such a practice is common in areas where oil palm plantation development is being planned and implemented. Often, community members are not aware that they are selling all rights to their land, many mistakenly believing that the land will revert to them after thirty five years.

### The Kalimantan Forest Carbon Partnership (KFCP)



The Kalimantan Forest Climate Partnership (KFCP) is a cooperative scheme between the governments of Australia and Indonesia. The Partnership is developing and implementing a REDD pilot project encompassing 120,000 hectares in seven villages in the Kapuas and Timpah sub-districts in Kapuas district, Central Kalimantan.

Most of the forests in the project area are severely degraded, particularly in the south. In 1996 – during the New Order regime – the peatlands were designated as part of the Peatland Mega Project (*Pengembangan Lahan Gambut/PLG*), which covered 1,445,000 hectares of land. Hundreds of thousands of hectares of forests within the site were cleared and the

peat soils drained for agriculture to achieve the government’s ambitious objective to produce two million tons of rice annually.

The PLG mega project did not run as expected, however, due to the soils being unsuitable for rice cultivation. The main canal constructed through the peatland to channel water out of the agricultural lands changed the hydrological features of the peat dome, releasing water high in organic acids that made it unsuitable for agriculture and destructive to the surrounding biodiversity. The condition was exacerbated by legal and illegal logging operations, and by oil palm companies vying against each other for land in the project site. Droughts and forest fires occur annually, leading to high levels of greenhouse gas emissions. Throughout Indonesia, carbon dioxide emissions are estimated at two gigatons annually, with fires in drained peatlands being a major contributor.

Some ten thousand people live in the seven villages of the KFCP site, most of whom are members of the Dayak Ngaju indigenous people. Folk tales mention the Dayak Ngaju descending from the hills to this lowland area at the beginning of the 19th century. Today, most Dayak Ngaju make a living from rubber and rattan gardens, and some also from fishing and annual agricultural crops. They therefore depend directly on the soil and the surrounding natural environment. For decades, they have been adapting to the changing environmental conditions and in recent years have been affected by numerous social development projects implemented by the government, the private sector and NGOs.

The objective of the KFCP project is to demonstrate a credible, just and effective means to significantly reduce greenhouse gas emissions from deforestation and forest degradation, including from peatland degradation. The pilot project was endorsed by the national government in June 2008. Despite this, by mid 2011, most of the affected communities had yet to receive the complete KFCP design document. Abridged documents were presented at several village and district meetings. Based on interviews conducted by Pusaka and FPP in 2011, members of affected communities know that the KFCP aims to reduce and prevent fires, that it will involve canal blocking to re-wet peat swamp soils, and that it will include reforestation and sustainable forest conservation in the forests and peatlands that are the traditional lands of the seven villages.

Despite the worthy objectives of the project, criticism of the KFCP has been widespread in the affected villages visited by Pusaka and FPP since 2009. Based on discussions held in the

villages of Mantangai Hulu and Katunjung, the problems with the KFCP project raised by the villagers include:

- Lack of transparency from the KFCP concerning its objectives and REDD+ plans
- Lack of information on the supposed benefits of the KFCP project for their daily lives, especially for women
- Concern that the KFCP has not responded to verbal and written requests from the villagers seeking support to establish rubber gardens
- Inability of KFCP to learn from the traditional knowledge of the villagers as to which species will grow well in the different soils and conditions of the rehabilitation site.
- Lack of commitment from KFCP to recognise and respect the customary rights in land of the villages affected by the project
- Concern that although the KFCP has an enormous budget (US\$30 million), it has not brought about concrete or clear benefits to the communities.



Small canal in the peat swamps of Kapuas river

Furthermore, in recent years, the provincial, district and village governments have allowed oil palm companies to destroy peat soils and forests around the KFCP's forest conservation and rehabilitation site. There are 23 big oil palm companies operating on 370,000 hectares of land in Mantangai sub-district, which is almost as large as the Mawas conservation area to the north of the KFCP site. The oil palm companies are operating on customary lands without the consent of the local communities, and do not recognise the communities' right to land.

The KFCP has conducted extensive consultations with village leaders, but members of the village of Mantangai Hulu claim that in their village, these consultations were carried out with the now retired village head, and did not involve the whole community, nor did it respect or take into consideration the community's own decision-making institutions. In sum, the implementation of the KFCP project in Mantangai and Timpah sub-districts has failed to respect the right of the affected communities to give or withhold their Free, Prior, and Informed Consent (FPIC) to the proposed developments.

The traditional leader (*Mantir Adat*) of Mantangai Hulu village, Umbie Ipe, wrote to the KFCP in March 2011, noting:

“... since the KFCP came into Mantangai village, we have repeatedly warned the KFCP leader working in our village that a traditional ritual has to be held before any activity is undertaken in the peatland of Sei Mantangai Hulu or Bagantang Island ... but no responses have been given.”

The community leader of Tumbang Mangkutup, Sigae Enus, gave testimony in April 2011 that:

“We're opposed to the Central Kalimantan Peatlands Project (CKPP) and the manager of Mawas that have prioritised conservation of orangutans and criminalised the villagers of Tumbang Mangkutup, who were accused of theft and arrested. In fact, the accused collected timber from their ancestors' forest and used it only to build their houses; it is not fair. Mawas was established without acknowledgement of the communities and has taken over the community's forest; it's not fair.”

The villagers of Katunjung have yet to sign the agreement letter proposed by the KFCP and have not made a common decision on whether to support the KFCP.

Civil society organisations in Central Kalimantan are also questioning the REDD+ project. AMAN Central Kalimantan, for example, has raised concerns about the provincial spatial plan and the fact that local and indigenous peoples are not referred to as the managers of land and forest. Many groups are questioning the value of turning reduced carbon emissions into an economic objective and whether the benefits it generates will actually help the local and indigenous peoples. Do the communities have a right to the carbon? Can the right to carbon belong to local communities and indigenous peoples?



YL FRANKY

Village meeting in Mantangai Kapuas to discuss the KFCP

Based on communication between Pusaka, FPP and the management of IAFCP and KFCP, the KFCP plans to commission an independent evaluation of its project implementation, to examine whether the right of communities to give or withhold their Free, Prior and Informed Consent has been respected. At the same time, however, the KFCP is considering reducing its commitment from FPIC to respecting the right of each affected community to “full and effective participation.” If this policy change occurs, the fate of Mantangai and Timpah villages and the other communities affected by the KFCP will depend on decisions made in Jakarta and Canberra.

The KFCP needs to make clear who in the project has decision-making authority, so that the communities can address their suggestions to this individual or body. There should be a written commitment to the communities that the project agrees to treat and interact with them as owners and managers of their customary lands, and that no project activities will go ahead on their lands without their free, prior and informed consent (FPIC). The project should also work to improve the communities’ welfare, based on suggestions and requests from the community.

Another important issue raised by the affected communities is that their customary forests are under threat from oil palm and land speculators. Community members expressed hope that the KFCP project would contribute to preventing destruction of the community’s remaining forests and peatlands by addressing the threats posed by oil palm

plantations and associated land speculators. One avenue to support community efforts to protect their customary forests suggested in community meetings with Pusaka and FPP would be for the KFCP project to help the communities to ask the government to revoke development permits of oil palm companies that seek to establish plantations in forest areas.

In February 2011, the Kapuas NGO, Yayasan Petak Danum and a number of national NGOs wrote to the Australian government raising concerns on how the KFCP project is being implemented and requesting that the KFCP comply with international human rights obligations, including those set out in the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Convention on the Elimination of all forms of Racial Discrimination (CERD). In April 2011, Jacqui De Lacy, the Minister Counsellor and Senior Representative of AusAid, responded to the letter by noting that the KFCP works to empower local people to manage their own land and resources, and that the project will not take over forests from the communities. She further noted that the Australian government would not take saleable carbon credits generated from the KFCP’s activities.

Given these commitments on paper, the KFCP should not lead to the same problems and violations of community rights routinely carried out by plantation companies, driven solely by profit-making and neglecting the rights of communities. The ability of the Project to respect the rights of communities should be strengthened by the Central Kalimantan Provincial Government Regulation (*Perda*) Number 16, 2008 on Dayak Customary Institutions and by the Governor’s Decree (*Pergub*) Number 13, 2009 on Customary Land and Customary Rights in Land in Central Kalimantan Province. Given the supportive provincial context, the KFCP should be able to make a breakthrough in the recognition of community rights in land as well as recognition and empowerment of the community’s own social institutions.

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