



# Policy interventions to address drivers of Deforestation and Forest Degradation

- 1. Develop more effective conservation and management of protected areas.**
- 2. Develop more effective management of production forest**
- 3. Options for supplying the requirement of the oil palm industry**
- 4. Develop Strategy for sustainable peat land management**
- 5. Capacity enhancement of local people , including indigenous people, in forest management related to REDD**





# I Developed more effective conservation and management of protected areas





# Policy intervention at the national level

- Increase effectiveness of Protected Area management through : law enforcement, provision of alternative livelihood, capacity building, CEPA and Development of Sustainable Financing for PAs management (MoF Strategic Plan 2010-2014)
- Decree of the Coordinating Minister for Public Welfare on Parks Encroachment Mitigation (2008);
- Roadmap to the “Save Sumatran Ecosystem” includes: ecosystem-based Spatial Planning, restoration of critical ecosystem and protection of life support system. It was formally declared by 9 Governors from Sumatra Island and 4 Ministers (Forestry, Public Works, Home Affairs and Environment) on September 2008;





## Policy intervention at the local level

- Extension of protected areas, e.g. Tesso Nilo National Park (Riau) from 38,000 ha to 100,000 ha;
- Enhance law enforcement to combat forest encroachment and illegal logging,
- Inclusion of a production forest in Giam-Siak Kecil Biosphere Reserve, Riau into Biosphere Reserve in 2008.





## II. Develop more effective production forest management

- FLEG and VPA measures,
- Establishment of production forest management unit,
- Forest management certification,
- Investment in RIL,
- Establishment of community based plantation forest,
- Establishment of timber plantation in degraded forest land,
- Training and professional capacity building for production forest management unit (production FMU/KPHP) managers.





# III Options of supplying the requirement of the oil palm industry





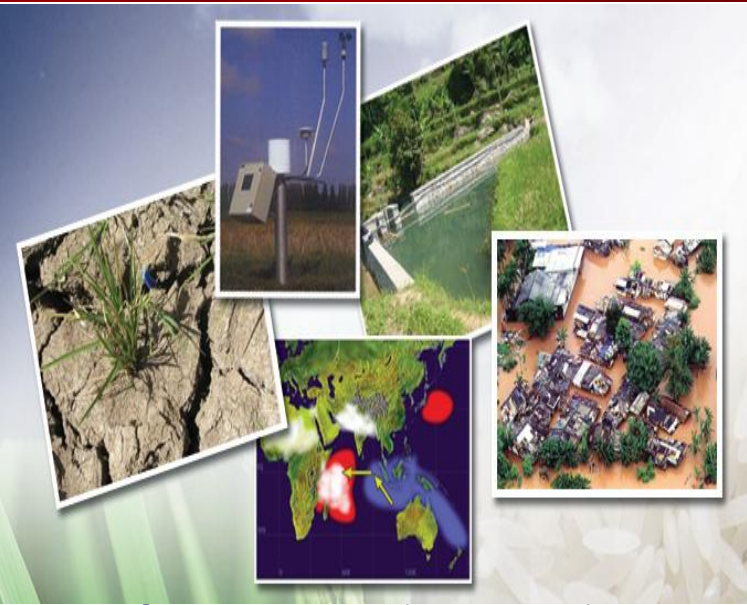
# Reducing pressure on forests



- Introduce way to avoid establishment of new oil palm plantation on forested land through provision for establishment by small holders in degraded lands.
- Rationalize the relationships between forest land (especially the functional zone of convertible forest) and non-forest land subject to land use decisions and spatial planning by local governments.



# Policy guidance on land use for agriculture



- Agriculture expansion (including oil palm plantation) must be directed to area with mineral soils,
- Peat land uses for agriculture must comply with Minister of Agriculture Regulation (Permentan) No.14/2009,
- The issuance of new permits on degraded peat land forest for agriculture uses (including oil palm plantation) shall meet the requirement and criteria for peat land utilization and based on recommendation resulted from environmental impact assessment.



# IV. Develop Strategy for sustainable peat land management

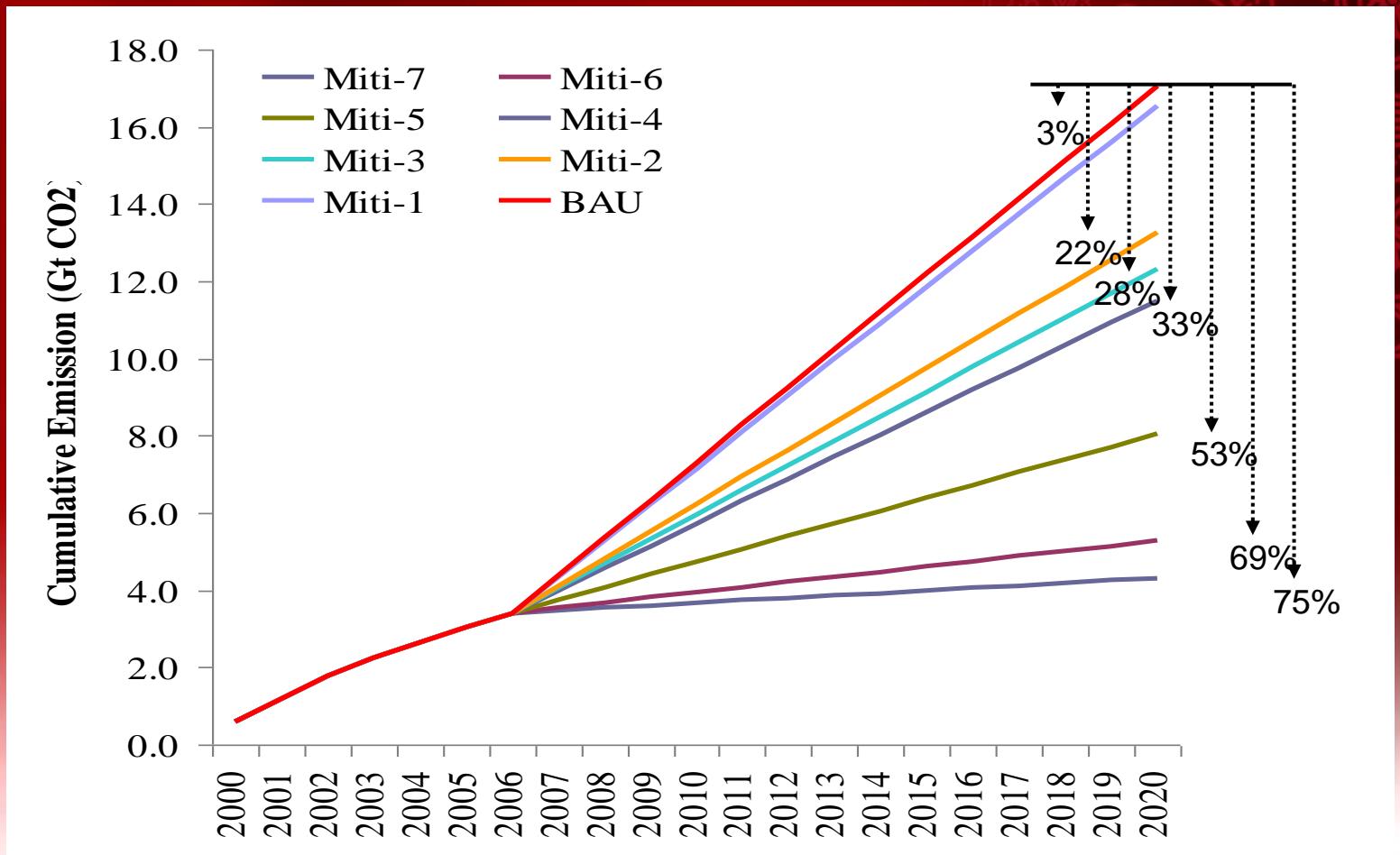
**BAU scenario** : following the current trend, all peat areas that have been allocated to companies in APL, HPK, and HP, regardless of peat thickness are used; Estimated increase in emissions to 1,387 Mt CO<sub>2</sub> yr<sup>-1</sup> by 2025

Policy	Mitigation Action	Emission Reduction	Cost Type	Emissions in 2025 (Mt CO <sub>2</sub> /yr)	% Incremental Emissions reduction from BAU	% Cumulative Emission Reduction from BAU
(1) Best Practice	1. Compliance <3m	F,Ox,AD	T*	1351	2.6	2.6
	2. No burning & improved water management	F, Ox	I,T	1117	16.9	19.5
	3. Ameliorant	Ox	I,T	1049	4.9	24.4
(2) Peat Rehab.	4. Peat land rehabilitation	F,Ox,AGB	I,T	619	31.0	55.4
(3) Land Allocation and Permits	5. Conserve forest in non-forestry development area	Avoided (F, Ox, AGB)	O,T	372	17.8	73.2
	6. Protect unlicensed peat land	Ox,AGB	O,T	175	14.2	87.4
	7. Land swap unused licenses to mineral land	F,Ox,AGB	O,I,T	106	5.0	92.4

*Source:* Team analysis. Abbreviations: *Emission reduction:* F = fire, Ox = oxidation, AGB = increase in above ground biomass, AD = avoided deforestation and degradation. *Cost types:* O = opportunity cost, I = intervention costs, T = transaction cost. \* Legal compliance is not considered to incur an opportunity cost.



# Cumulative Emission from Peat Land from 2000-2025 (Excluding Wild Fire)





# VI Capacity enhancement of local people in forest management related to REDD :

will be one of the main  
activities for REDD readiness

