

GCF Database

I. GCF Member name: West Kalimantan Provincial Government

II. GCF Member's Profile/ Province Overview

1. Area (km²): 146,807 km²

2. Population:

- Total: 4.25 million
- Urban 0.70 million
- Rural: 3.55 million
- % of National Population: 1.8%

3. GDP:

- Total: USD 2,914 million
- Forest sector: USD154.7 million
- Agricultural sector: 1,351 million
- Main income products: Estate crops, Agriculture, Forestry
- **Note: need percentage GDP breakdown**

4. Per capita income: USD 627.00

5. HDI: 0.66/0.696 (national)

6. Social Groups: Dayak (35%), Melayu (13%), Sambas (12%), Tionghoa (9%), Jawa (9%), Kendayan (8%)

7. Forests (Typologies and Status):

- Total forest area: 89,910 km²
- Forest Typologies (type/area):

Obs:

In terms of forest monitoring the Ministry of Forestry recognize Primary Forest Secondary Forest and "Other Forest" on forest use categories: These are

- Protection Forest for ecosystem functions
 - Conservation Forests for nature conservation functions
 - Permanent Production Forest (including forest managed for native species and forest converted to plantations)
 - Convertible Forest (Production Forest that is available to be removed from the National Forest Estate and used for other purposes such as agriculture, estate crops and settlement)
- Status of Forests:
- Original forest area (pre-human disturbance): Estimated 92,044 km²
 - Protection forests (protected for ecological functions and secondary plant products: limited use) : 23,070 km² (25.6%)
 - Conservation forests (managed for nature conservation values and comprising IUCN categories 1-4): 14,577 km² (16.2%)
 - Permanent Production Forests: 47,118 km² (52.4%)
 - Convertible Forest (forest zoned for conversion to non-forest uses including settlement and estate crops): 5145 km²(5.7%)

Note: data on floristic/structural typology for forests still needs to be secured from the member Provinces and other sources.

8. Main Deforestation Drivers: commercial logging, conversion to agriculture, mining (coal and gold).

Components / Elements of REDD Action

Carbon Accounting Summary - note this was not included in the original database template but is shown on the Wall Street on Demand Mockup, so this data will need to be secured from member Provinces.

III. Component 1: Environmental Service

1. Deforestation dynamics monitoring

1.1 Deforestation is known? Yes

1.2 Deforested area (ha):
2000-2005: 136,734
2003-2006: 24,048

1.3 Average deforestation rate (ha/year):
2000-2005: ha/yr: 27,346 = 0.30%
2003-2006: ha/yr. 6,012 = 0.10%

1.4 Characterization of deforestation dynamics (direct and underlying causes and drivers of deforestation)

The period 2003-2006 has been accepted by all stakeholders as the official data period for measuring deforestation. These data are compiled by the Ministry of Forestry. The data for the period 2000 -2005 were accepted as official data for the analytical process leading up to COP 13 in Bali. Up to and including 2006 the main driver of deforestation has been commercial logging and conversion to agriculture and conversion to oil palm. Open caste coal mining and coal mining including illegal gold mining has also been a very significant factor. Despite the impression created by the figures, as for elsewhere in Indonesia a significant reduction in deforestation rates was achieved after 2004 when illegal logging was brought under firmer control. The higher figures represent a change in land classification and are an expression of planned deforestation linked to economic development: consistent with the argument for projected baselines.

1.5 Monitoring methodologies and accuracy

Forest cover monitoring for 2000-2005 was complicated by the different sets of available data. Landsat provides better resolution but is not as complete as MODIS. The relationship between MODIS estimates and LANDSAT estimates is linear and statistically robust with r^2 of 0.87 and a residual standard error 7.15% . The deviation between estimated and actual forest cover based on BAPLAN field sampling is about 15% and this value has been adopted as the order of error to apply to forest area loss

Forest Cover monitoring 2003-2006 is based on 1:250 000 scale interpretation of Landsat 7 ETM+ overlays for 2002/2003 and 2005/2006. Data from the Province is analysed by Provincial offices (BKLH) of the Ministry, compilation and reporting on a province level is the responsibility of the national government. Data concerning deforestation and degradation in the Districts (Kabupaten) is available from the BKLH and this data is also used for spatial planning at the Province and Kabupaten Levels of government.

1.6 Needs identified for deforestation monitoring?

Forest cover monitoring is the responsibility of the Ministry of Forestry, Directorate General for Forest Planning. The data base FRIS (Forest Resource

Inventory System) commenced in 2007 and is supported among other means by the Indonesia-Australia Forest Carbon Partnership (IAFCP). A MRV framework is also being developed in conjunction with National policy and is largely being driven by requirements under the Norway LOI. Discussions on the design and implementing framework for MRV where the roles and responsibilities of the National and Provincial Governments are a topic of discussion amongst GCF member Provinces and their liaison with the Central Government authorities. MRV case studies/ information from the broader context of REDD monitoring internationally would be valuable in providing member Provinces for tools and input into the national process.

2. Forest degradation dynamics monitoring

2.1 Degradation is known? No

2.2 Degradation level (km²; categories of degradation):

2.3 Characterization of degradation dynamics (direct and underlying causes and drivers of forest degradation)

Logging and forest fires resulting in the degradation of primary forest to secondary forest.

2.4 Monitoring methodologies used and accuracy

Note: to be defined

2.5 Needs identified for degradation monitoring?

See point 1.6

3. Forest Carbon Stocks quantification

3.1 Carbon stocks are known? Partially

3.2 Carbon stocks in forests:

More detailed data is required on carbon stocks in West Kalimantan forests to take into account the range of structural types. The following table lists national averages for sample plots in different forest use categories.

National mean, and pooled standard deviation of area-weighted average by forest category

LANDUSE	Peat Swamp			Dry land		
	Mean	<i>S_{pooled}</i>	N	Mean	<i>S_{pooled}</i>	N
Conservation	174	30.4	174	183	31.5	1605
Conversion	179	28.4	403	185	32.1	844
Landuse unknown	178	25.5	79	174	24.0	244
Non-forest area	172	25.7	290	161	28.8	1464
Production	181	26.5	504	200	31.9	1792
Protection	181	36.2	171	189	33.7	816

Using these averages, the total carbon stocks are in the order of:

Conservation Forest: 253.6 Giga Tonne CO₂e
Protection Forest: 417.6 Giga Tonne CO₂e
Production Forest: 852.8 Giga Tonne CO₂e
Convertible Forest: 92.1 Giga Tonne CO₂e

3.3 Method used and accuracy:

The biomass carbon stock of forests range between 50 and 300 tC/ha for dryland forest and between 75 and 275 tC/ha for peat swamp forest¹. The lowest estimates are in forests on Java, while the highest occur in Kalimantan and Papua. The resolution of the carbon maps is coarse as the data used to create it were based on regional and national datasets (e.g. climate, inventory data for calibration, and population density data at sub-national scales). This type of country-wide map provides estimates with uncertainty too high for robust analysis for the purposes of REDD, and this problem underlies the importance of an extended National Forest Inventory (NFI).

3.4 Needs identified for forest carbon quantification?

- Support for implementation of IPCC Tier 2 carbon stock analysis
- Capacity development within Government departments and Universities to design and implement IPCC measurement methodology, accuracy and ongoing quantification.

4. Baseline definition and emissions reduction targets

4.1 Baseline references used in REDD Program, methods used: The form of the baseline has not yet been defined.

4.2 CO₂ Reduction Goals for the state and for REDD program: The President RI has committed to reduce emissions by 15% unilaterally by 2015 and by 41% with international support by 2020. The division of this to West Kalimantan is to be determined.

4.3 Estimated CO₂ savings per period:

4.4 Needs identified to improve baseline definition?

Baseline and emissions reduction targets are being addressed in the context of the national commitment and impact of the Indonesia-Norway LOI and moratorium.

¹ Based on Gibbs and Brown (2007)

GCF Database - Part II
GCF Member name: West Kalimantan Provincial Government

Note: the current document is a DRAFT. The below points are to be reviewed by each GCF Indonesia member Province. While feedback is *appreciated* in all areas, points in <red> require details to be inserted by the member Province. All points are to be discussed, reviewed and completed together with the database consultant at the GCF Indonesia meeting to be held in Jakarta (date TBC), after which this document will be considered FINAL.

5. Structural policies in place for reduction of deforestation

Policy	Objective	Target public	Goal	Proponent	Relation with REDD action

6. REDD strategy concept

6.1 GCF Member has a REDD Program now?

Yes

6.2 GCF Member has been planning a REDD Program?

Yes. The Provincial Government of West Kalimantan is planning a REDD program based on the principle of good governance aimed at supporting sustainable forest management. The development of this plan is an ongoing and continuous process, requiring continual interaction with the Central Government and developing national and international policies while developing and adapting new and existing regional policies.

6.3 REDD strategies conceived or in process of conception to reverse deforestation and degradation

The Provincial Government of West Kalimantan has adopted three principles strategies for the development and implementation of REDD, these being:

1. Reducing deforestation through continuous improvement in local government policies and institutions including law enforcement and management of Technical Implementation Units (UPT's). Current UPTs already established include the UPT on Forest Inventory and Mapping, Land and Forest Fire Control Unit, the National Parks Unit, the Institute for Watershed Management, the Forest Resources Conservation Center, the Institute for Monitoring of Forest Production and the Forestry Information Center.
2. Creating incentives for better forest management and removing incentives that lead to deforestation from private parties who exploit natural resources belong to the public. Establish a Green Investment Award to companies in the field of forestry, plantation, agriculture and mining in implementing *Zero Burning and Reduced Impact Logging* (RIL) policies. Establish a mechanism for environmental assessment through an integrated team consisting of NGOs, media, universities and government agencies.
3. Overseeing payments / incentives for REDD so as to avoid corruption by certain elites while supported by mechanisms which are transparent, accountable and free from political influence. This mechanism would involve the stakeholders / community organizations that already exist such as the Council of Traditional Malay Culture (MABM), Council of Indigenous Dayak (DAD), the Alliance of other indigenous communities both at the level of district / city or village.

In addition to this the Government of West Kalimantan is revising its spatial plan with the goal of maintaining 50-60% of West Kalimantan forested while optimizing 1.5 million hectares of non-productive forest estates.

7. Target population and rights recognition

7.1 Social groups reached by the REDD Program and number of people directly benefited

The social groups targeted for outreach by the REDD Program are a) indigenous peoples who have traditional ownership rights to land/ forest

areas impacted by the REDD Program and 2) social groups (who may or may not be indigenous peoples) who directly impact the land/ forest areas through their daily activities (both legal and illegal, i.e. collecting firewood, logging, conversion to agriculture, grazing). Other social groups include those who rely on the supply of forest products to support their own industry (i.e. small-scale logging mills/ manufacturers, agricultural industry, supply of meat). In this way the REDD Program is aimed at benefiting those social groups who directly impact the forest and those groups who act as part of the 'supply-chain' of forest products. The number of people directly benefited is not able to be quantified at this time because the program itself is still under development/ implementation phase characterized by pilot projects identified in point 13.

<Province to add additional comments/ to discuss at Feb GCFI meeting>

7.2 Procedures taken by proponent and evidence that REDD Program acknowledges the rights and role of indigenous peoples and local communities

In West Kalimantan, the West Kalimantan Malay Customary Council, the Council of Indigenous Dayak and the Ethnic Alliance are both active and respected entities. It is together with these entities that the government is active in capacity building, technical assistance and technology transfer with the goal that social institutions can be strengthened in line with government institutions in order to strengthen the ability to calculate carbon stocks and establishment of a forestry database in order to effectively implement community-based forest management. It is envisaged that REDD will be able to preserve a balanced forest function in terms of economic and ecology while directly benefiting both local and global communities.

7.3 Needs identified for rights recognition improvement?

There is a need for analysis of current legal frameworks (national and regional) to address rights recognition (incorporating land and carbon ownerships rights) in particular as relates to local and indigenous communities and regional and special autonomy laws. This framework would need to be harmonized across provincial and central government regulations.

<Province - please add additional needs here. Needs = areas for potential funding so any additional thoughts/ comments are highly appreciated>

8. Transparency and participation mechanisms

8.1 What actions have been taken to guarantee free, prior and informed consent?

<need more specific information>

8.2 Briefly describes mechanisms for consultation and continuous participation addressed

Given that more than 60% of the socio-economic conditions in West Kalimantan are dependent on the forests and resultant eco-system services, the government has taken the initiative to ensure as much as possible the participation of local communities and their representatives. In addition to working with the West Kalimantan Malay Customary Council, the Council of Indigenous Dayak and the Ethnic Alliance, the government of West Kalimantan has encouraged consultation and participation via the following activities:

1. Development of Strategic Natural Assessment (KLHS) and Watershed Forum (DAS) with multi-stakeholder involvement including NGO's, communities, media, universities, professional associations and service agencies
2. Forest Rangers (Pamhut) comprised of indigenous people to secure forest in several districts
3. Engagement of the 'REDD+ community'. In order to achieve this the government is engaged with a number of NGOs including OEDAS who are assisting in coordinating activities and building on opportunities which will be available to local communities (including pilot models).

8.3 Information on transparency of REDD program:

Transparency is built upon the efforts to the West Kalimantan government as outlined above.

<Province to add additional comments/ to discuss at Feb GCFI meeting>

8.4 Needs identified for improvement in participation and transparency?

<Province to insert - i.e. what is the Province doing to support community and indigenous peoples rights?>

9. Benefit sharing mechanisms

9.1 Describe the broad picture of how REDD program addresses social and economic well-being of forest dependent communities

Currently the REDD program is seeking to find the best ways through which to address the social and economic well-being of forest dependent communities. FPIC is a key part of this, but so too is certainty on national policy and international carbon markets. Without certainty on carbon markets (and supporting national regulations) it will not be possible to say that REDD can address the economic well being of forest dependent communities as it will not be possible to value the communities principle 'asset' (carbon). Naturally, social and economic wellbeing are interlinked, with pathways to support social wellbeing needing to be supported by economic drivers/ mechanisms.

<Province - please read the above and change this statement if you do not agree with it/ add more detail as you see fit - will also be discussed at next GCFI meeting>

9.2 Description of the PES or benefit sharing mechanisms currently in place or planned (concrete elements)

Currently the only legislated benefit sharing mechanism in Indonesia is as outlined in Forestry Ministry Decree P.36/Menhut-II/2009 (Central Government) which stipulates the procedures for granting business license for the utilization of absorption and/or storage of carbon in production forest and protected forests. This license must be held in order to establish carbon rights and cannot be held as an independent license - it must be held in addition to a separate license (outlined in the below table as permits) through which the license-holder establishes an underlying right to the land itself. The first 4 license types are 'Utilisation of Wood Forest Produce' (IUPHHK) licenses including natural forest logging (HA), plantation forests (HT), ecosystem restoration (RE - note: this can also be used for PES), community plantation

forest (HTR). Points 5-8 refer to legislated community and indigenous ownership (note this ownership is not inherent/ automatic - community/ indigenous groups would need to attain Ministerial Decree in order to establish a legal right to the land which could be used to ascertain carbon rights under P.36 (with the possible exception of Papua and Aceh, although this is ongoing).

Tabel N2JL No.	Permit holder / developer	Distribution		
		Government	Community	developer
1.	IUPHHK-HA	20%	20%	60%
2.	IUPHHK-HT	20%	20%	60%
3.	IUPHHK-RE	20%	20%	60%
4.	IUPHHK-HTR	20%	50%	30%
5.	Community Forest (Hutan Rakyat)	10%	70%	20%
6.	Community Forest (Hutan Kemasyarakatan)	20%	50%	30%
7.	Adat Forest (traditional ownership)	10%	70%	20%
8.	Village Forest	20%	50%	30%
9.	KPH	30%	20%	50%
10.	KHDTK	50%	20%	30%
11.	Protected Forest	50%	20%	30%

Note that P.36 is currently under review pending additional input from the Ministry for Finance. No distributions have as yet been made under this scheme.

9.3 Describe evidences for participation of stakeholders in the development of the mechanisms

P.36 was widely hailed as the first benefit sharing mechanism legislated by any national government. However, it is widely considered that the mechanism could have benefitted further from more comprehensive stakeholder participation, both from within Government itself and affected stakeholder groups. As mentioned above this regulation is currently under review.

9.4 Needs identified?

A comparison of different benefit sharing mechanisms being discussed/ developed internationally. This would be most effectively done by coordination of the GCF Secretariat with GCF members. Important points would include more detailed analysis of the realities of potential beneficiaries (i.e. 'on the ground') and technical mechanisms on the checks and balances on the flow of REDD funds and benefits.

<Province - please add additional needs here. Needs = areas for potential funding so any additional thoughts/ comments are highly appreciated>

10 Institutional framework and arrangement for REDD program and Government's capacity to implement REDD

< Avi - please assist by completing this point 10 >

Name	Responsibilities	Relation with REDD Program
SATGAS REDD+		

10.2 Legal Framework that enables structural policies and REDD Program

Name / Number / Date	Objectives	Status *
The Agrarian Law of 1960	Indonesian forestry jurisdiction and natural resource management. Guiding regulation for recognizing and awarding types of rights over land.	Functional
The Forestry Law of 1999	Empowers the Department of Forestry to determine and manage Indonesia's <i>Kawasan Hutan</i> (Forest Zone). Outlines forest function.	Functional
Permenhut No. 68/2008	Describes the permission and approval procedures of REDD's demonstration activities	Functional
Permenhut No. 30/2009	Regulates procedures on the implementation of REDD including requirements that should be fulfilled by developers, verification and certifications, and terms and conditions of REDD's implementing bodies	Functional
Permenhut No. 36/2009	Regulates the permission procedures of REDD projects through carbon sequestration and storage. It includes revenues sharing, application, collection, depositing, and utilisation procedures of revenues from REDD projects	Semi-functional/ under review
West Kalimantan ¹ . Provincial Regulation No. 8 Year 2006	About the Utilization and Distribution of Belian Wood in the Region of West Kalimantan Province.	Active
West Kalimantan ² . Provincial Regulation No. 6 of 1998	About Fire Prevention and Control of Forest and Land.	Active
Governor Regulation No. 103 of 2009	Procedure and Controls for Land and Forest Fires in West Kalimantan	Active
Governor's Decree No. 35 of 2010	Concerning Guidelines and Verification for the Application of Village Forest Management Rights In West Kalimantan Province	Active

10.3 For the REDD Program, was an institutional capacity needs assessment made?

<Province to add comments/ to discuss at Feb GCFI meeting>

10.4 Functioning and institutional framework (existing and to be created) related to the governance of REDD program, (include organizations responsible for monitoring, reporting and verification (MRV)):

Name	Responsibilities	Status
Technical Implementation Unit (UPT) on Forest Inventory and Mapping		Active
Land and Forest Fire Control Unit		Active
National Parks Unit		Active
Institute for Watershed Management		Active
Forest Resources Conservation Center		
Institute for Monitoring of Forest Production		Active
Forestry Information Center		Active

10.6 Needs identified for improving capacities of REDD Program organizations?

Common needs include:

- Government staff capacity building on procedures to design REDD projects (competence of the Agency), to elaborate norms, criteria for pre-registry and registry approval and issue of emissions reduction certificates and benefit sharing.
- Definition of methodologies of REDD project elaboration and accreditation of REDD projects certifiers.

<Province - please add additional needs here. Needs = areas for potential funding so any additional thoughts/ comments are highly appreciated>

11 Land/forest tenure administration and relation with REDD

11.1 Legal support and protection of forest tenure

As outlined in point 9.3, currently the only way to establish forest tenure which could be used to develop either voluntary or compliance REDD projects (i.e. establish long term carbon rights) is via the Central Government regulated system of land tenure licenses/ permits.

11.2 Clear responsibilities, capacity and authority for forest tenure administration

Authorities are devolved from the National Forestry Law and regulated by the system of land tenure licenses/ permits outlined previously. In all cases permits granted by the Governor/ Regent (Bupati) are subject to approval/ recommendation by the Minister. Subsequently, in almost all cases, the final authority for forest tenure comes in the form of a Ministerial Decree (forest utilization license in the case of forest-based activities issued by the Minister of Forestry or land use permits for oil palm issued by the Minister of Agriculture).

<Province to add additional comments/ to discuss at Feb GCFI meeting>

11.3 Actions planned or developed by governments to solve issues related to land tenure uncertainties within REDD priority areas

<to be discussed at Feb GCFI meeting>

11.4 Relation of forest tenure solving and REDD objectives/actions

The relation between forest tenure and REDD is central to REDD objectives/ actions and importantly (being one of the objectives) equitable benefit sharing (as the process to establish tenure is reflected in the parties receiving benefits under the current mechanism). This point is also reflected in national vs regional REDD objectives, in the sense that the current focus on meeting national emissions reductions should not be at the expense of meeting regional development. The harmonization of these factors is inherent in the Provincial Spatial Plan, although the impact of the impending (Norway-backed) moratorium will also need to be addressed in terms of REDD objectives/ actions and the impact of the moratorium on tenure.

11.5 Recognition of communities and indigenous peoples' rights

The recognition of communities and indigenous people's right is considered a top priority within Provincial REDD development. It is also an extremely complex issue given its relationship to the National Forestry Law and lack of clarity regarding recognition of traditional rights in the Indonesian legal context. It is widely hoped that through development of FPIC mechanisms the recognition of community and indigenous people's rights will be able to be strengthened.

11.6 Participation of communities and indigenous peoples in forest tenure definition

Forest tenure definition is established by the Forestry Law 41 Year 1999 (Forestry Ministry (Central Government)). Under this law, community/ indigenous forest is incorporated as a sub-set of State (national) Forest. There are various NGO's and community groups active in lobbying this definition and asserting stronger participation of communities and indigenous people's groups in this definition and its impact on REDD (and REDD's alternatives).

<Avi - comments?>

11.7 Definition of legal aspects related to property and rights to forest carbon in REDD project areas.

As outlined in 9.3 property rights (i.e. rights to land) are administered by the Central Government and are required prior to establishing rights to forest carbon under regulation P.36. Currently voluntary REDD project developers are using 'Utilisation of Wood Forest Produce' (IUPHHK) licenses to establish carbon rights (although none have yet sold verified carbon credits) and it is widely agreed (although not yet established) that legislated community (Hutan Rakyat) and indigenous ownership (Hutan Adat), both by Ministerial Decree, could be used to establish both property and carbon rights for communities under a voluntary scheme.

11.8 Conflict resolution measures in place.

(this is mentioned in the proposal document but there is no specific information)

<to be discussed at Feb GCFI meeting>

11.9 Needs identified?

<Province - please add additional needs here. Needs = areas for potential funding so any additional thoughts/ comments are highly appreciated>

12 REDD MRV systems

12.1 Does the State/Province have a GHG emissions inventory?

West Kalimantan already has partial data supporting a GHG emissions inventory.

<more information required>

12.2 If yes, is the inventory performed or validated by an independent party?

<more information required>

12.3 Strategies thought by the State/Province for monitoring, reporting and verification

The current direction on MRV is that it will be developed and maintained as a national standard (by national government agencies with input from the provinces in conjunction with the development of a national registry) and implemented by the Provinces.

In the meantime West Kalimantan province has been developing institutional capacity within its Forestry Information Center, which will support the accountability and transparency of data, in particular as it relates to ensuring the MRV process can be effectively carried out. The information center will also be used as a center for GIS (GSC) in order to disseminate scientific mapping using remote sensing technology and in the future calculate the carbon content of the forests in each district. GSC is built in conjunction with DED (German Government Service).

12.4 Protocols being used to validate and certify state-wide REDD programs

VCS, CCBA and Care

12.5 Needs identified in order to MRV systems in REDD Program?

<Province - please add additional needs here. Needs = areas for potential funding so any additional thoughts/ comments are highly appreciated>

13 REDD Projects within State/Province

REDD projects registered in <ProvinceName> include:

- ProjectName, Location, Area, ActiveSince
- ProjectName, Location, Area, ActiveSince
- ProjectName, Location, Area, ActiveSince
-

14 Relationship with National Government

What mechanisms and/or forums does the State/Province currently employ to negotiate the integration and/or harmonization of the state REDD strategies with a national one?

Currently the principle liaison with the Central Government on REDD strategies is with National REDD Taskforce, which is coordinating national REDD policy and international liaison specifically UN REDD+ and Norway LOI, together with the Provinces and other national government stakeholders, including the Ministry of Forestry, Ministry of Environment, National Climate Change Board and Ministry of Home Affairs. The National REDD Task Force reports directly to the President. Separately, liaison with the National Planning Agency on Spatial Plan development and approval is central to promoting Provincial REDD strategy implementation.

<additional comments?>

V. Component 3 : REDD Financing

15 Current strategies to finance REDDiness

15.1 Costs and financing sources to elaborate a REDD program

Current REDD implementation is funded primarily through Provincial budgets and donor funding. It is hope that additional funding can be allocated from the Central Government.

16 Strategies to finance REDD implementation

16.1 Costs for the implementation of REDD Program

<Province to add additional comments/ to discuss at Feb GCFI meeting>

16.2 Economic viability studies:

A formula to establish the economic viability of REDD is under development using a project lifetime of 5 years and payment of REDD credits as ex-ante full credit, with price estimates between US\$6-12 p/ton. This will be compared to the economics of plantation forestry (HTI), which include investment in land preparation and industrial development. The cost of REDD will included opportunity cost and transaction costs.

< Province = are the results of this analysis available to include in this report?
Analysis found on page 15 of Kalbar pilot province proposal >

16.3 Description of strategies designed and in place to finance REDD costs

<Province to add additional comments/ to discuss at Feb GCFI meeting>

16.4 Needs identified in terms of financing.

<Province - please add additional needs here. Needs = areas for potential
funding so any additional thoughts/ comments are highly appreciated>