THE MINISTER OF FORESTRY'S CLOSING SPEECH AT THE 'FORESTS INDONESIA: ALTERNATIVE FUTURES TO MEET DEMANDS FOR FOOD, FIBRE, FUEL AND REDD+' CONFERENCE

Jakarta, 27 September 2011

Minister for the Environment and International Development of Norway, his Excellency Erik Solheim
World Bank Special Envoy for Climate Change, Mr Andrew Steer
Chairman of UKP4, Mr Kuntoro Mangkusubroto
CIFOR Director General, Ms Frances Seymour,
and respected participants,

Assalamualaikum Warahmatullahi Wabarakatuh

First of all, let us give our thanks to almighty God, who has allowed us to reach the end of this important one-day conference on the importance of Indonesia's forests. This is an honour and an extremely valuable opportunity for me, for the Ministry of Forestry and for Indonesia. Accordingly, I would like to express my thanks to CIFOR. I hope meetings such as this can be held in the future, so the outcomes of research by world experts with CIFOR and other international organisations may be put into operation in Indonesia.

Respected friends,

I wish to take this opportunity to underline President Susilo Bambang Yudhoyono's statement in his keynote address this morning - supported by the speakers and affirmed in discussions - that food, fibre and energy sufficiency and climate change are four extremely important contemporary issues closely intertwined with the existence of forests.

In this closing session, please allow me to point out the Ministry of Forestry's perspective and steps for implementing the President's policy and directive this

morning, so that those present can leave this conference room with a clearer picture of the direction of Indonesia's forestry sector in relation to these four issues.

First, we have applied a moratorium on new concessions on primary forest and peatlands, beginning in 2010 on 72.2 million hectares of land and reinforced by Presidential Instruction No. 10/2011. Second, we have also set aside 35.4 million hectares of production forest, particularly in damaged and degraded forest areas for natural forest use permits, plantation forests, ecosystem restoration, community plantation forests and village forests. Third, to develop renewable energy, the Ministry of Forestry is planning to use geothermal and micro-hydro potential, which can be carried out in primary forests, as such usage will not damage forest areas and is excepted under Presidential Instruction No. LL12017. Fourth, in relation to food, the Ministry of Forestry has set aside an area of approximately 200,000 hectares in convertible forests in Sumatra and Kalimantan, but the suitability of the land will depend on users, namely the Ministry of Agriculture and other institutions.

Respected conference participants,

The Ministry of Forestry is fully aware that for Indonesia, with its population of 240 million and its economic growth, the role of the forestry sector is increasingly crucial. Population growth and economic progress always run parallel to increased needs for food, energy and fibre (pulp and paper), both for domestic consumption and for securing foreign exchange. The forestry sector is obliged to contribute in efforts to fulfil these needs, for the advancement of the nation.

To resolve issues of employment and poverty alleviation, and improve environmental quality, the Ministry of Forestry has provided access to local communities in the form of community plantation forests by allocating 600,000 hectares in 2010 and 700,000 hectares in 2011, where district heads have the authority for granting permits, so the service can be easy, cheap, rapid and accurately targeted. Also, for energy security, in relation to the presence of mining operations in

protection forests, the government has issued a regulation on underground mining, so that mining in forest areas is expected to no longer degrade forests where permitting will be conducted strictly through environmental impact assessments (AMDAL) and the establishment of an intersectoral team.

Respected friends,

To improve environmental quality in relation to the issue of climate change, the Ministry of Forestry has a programme to plant one billion trees annually (Penanaman Satu Milyar Pohon). This programme has already involved communities through the development of 8013 community nurseries (KBRs), which will produce 400 million saplings ready for planting in 2012. This year, we plan to build 10,000 KBRs and 23 permanent nurseries in 23 provinces. The programme can provide jobs for unskilled labourers in Indonesia, particularly in light of the current moratorium on sending workers overseas. This programme is expected to help resolve employment problems and alleviate poverty without damaging forests (prevent deforestation). As a comparison, we are encouraging a policy on the development of fibre-based industries through partnerships between communities and industry to develop people's forests for contributing 31.99 million cubic metres or 79.64% of timber industry raw materials requirements for both pulp and wood. The supply capacity of natural forests has fallen to around 5.3 million cubic metres a year, or around 13% of national requirements. Fibre, food, and later bioenergy needs must be sourced from plantation forests, not natural forests. Therefore, Indonesia's commitment to reducing greenhouse gas emissions from degradation and deforestation can be carried out with the utilisation of plantation forests on degraded land, with zero burning.

In the field of REDD+, the Government of Indonesia has already issued supporting legislation: Presidential Instruction No. 25/2011 on a REDD+ Task Force; Minister of Forestry Decree SK 323/Menhut/2011 on the Determination of 1:250.000 Scale

Indicative Maps Concerning the Suspension of New Permits for Forest Utilisation, Forest Use and Changes to Allocation of State Forest and Other Land Use Areas; Presidential Decree No. 25/2011 on Institutional Preparations for the REDD+ Task Force; and Presidential Regulation No. 61/2011 on a National Action Plan for Reducing Greenhouse Gas Emissions (RAN-GRK). A memorandum of understanding has been signed by the chair of the REDD+ Task Force and the governor of Central Kalimantan to implement REDD+; a REDD+ education and training centre has been built in Palangkaraya; and seven REDD+ model villages have been developed through collaboration with Australia. Indonesia currently has more than 40 pilot projects or REDD+ demonstration activities in cooperation with GIZ, Australia, JICA, KOICA, WWF, ITTO and others.

Respected friends,

With this explanation, I confirm that the forestry sector realises its roles and functions in supporting national development and fulfilling the need for food, energy, fibre and REDD+. The setting aside of conversion forest is done without endangering forests' ecological and hydrological functions as life support systems.

Through coordination, synergy and partnerships with civil society, NGOs and donor nations, the forestry sector will be able to carry out its roles and make an increasingly real contribution to maintaining continued national development, which is pro-poor, pro-jobs, pro-growth and pro-environment.

I hope this explanation can provide clarity regarding the readiness of Indonesia's forestry sector over issues discussed in the conference today. Thank you very much for your kind attention.

Wassalamualaikum Warahmatullahi Wabarakatuh

Jakarta, 27 September 2011

Minister of Forestry,

ZULKIFLI HASAN