

# Rimba Raya Conservation Project's claims could mislead the public and the carbon market

- *Not true that the Indonesian Government has approved 64,000 hectares for Rimba Raya Conservation Project*
- *More than 60% of area whose ecosystem is to be restored under the Rimba Raya Conservation Project was not originally slated for palm oil plantation development*

## Background

*The claim has been widely reported in the international media since 30 May 2013.*

The main reason for the preparation of this report is to verify claims that the 64,000-hectare Rimba Raya Conservation Project has finally been approved by the Government of Indonesia.

Greenomics Indonesia has been consulted by the international media regarding the said Rimba Raya Conservation Project claim, but at the time was not able to respond one way or another on the basis that the claim needed to be verified beforehand both legally and spatially with the Indonesian government, in this case, the Ministry of Forestry. Greenomics Indonesia believes that this report will help clarify the claims concerning the Rimba Raya Conservation Project in order to avoid the public being misled.

This report is the second by Greenomics Indonesia on claims related to the Rimba Raya Conservation Project. The first report, which was published on 14 December 2012 and was entitled “Indonesia’s First REDD+ Project Not a Done Deal, Despite Promoter’s Claims” (downloadable at [www.greenomics.org](http://www.greenomics.org)), found that the claims by the Rimba Raya Conservation Project were legally baseless.

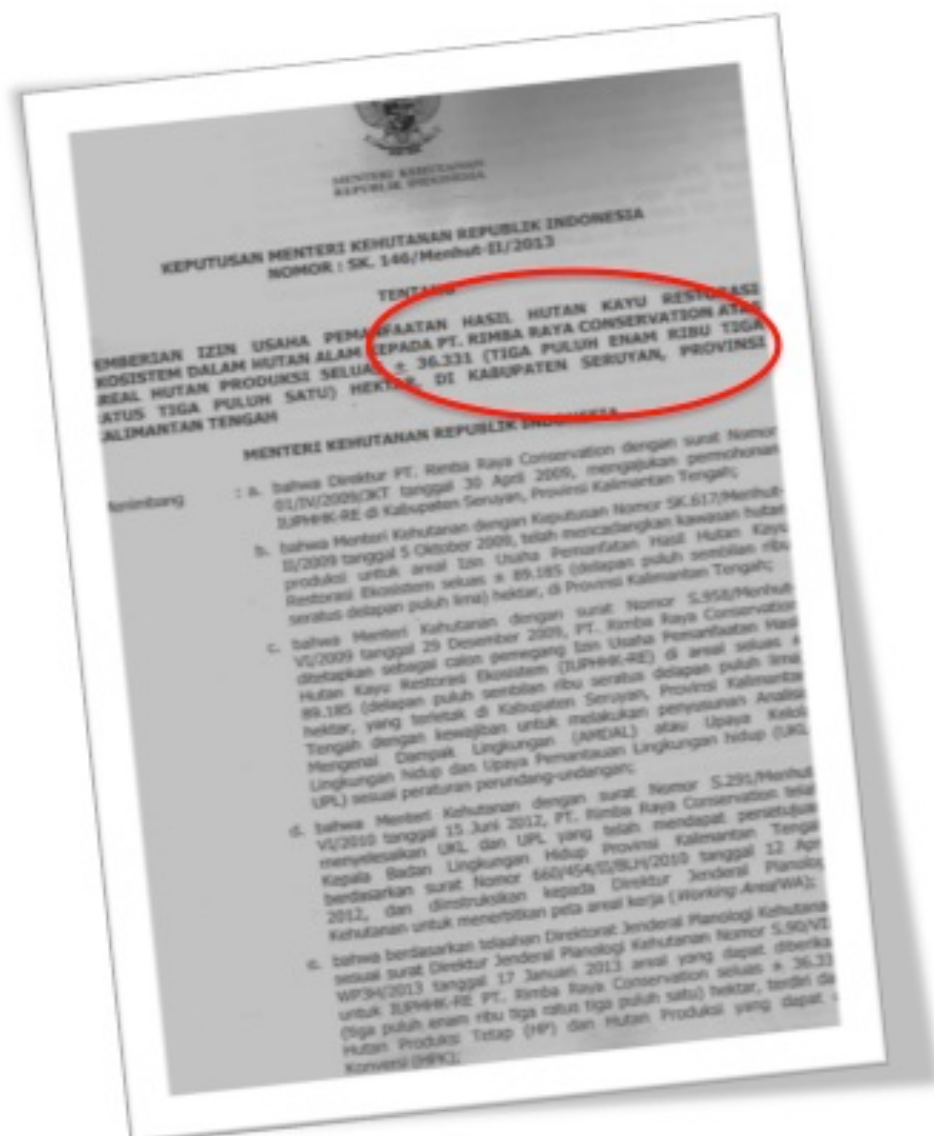
The verification process conducted by Greenomics Indonesia was based on various legal and spatial facts, which were discussed directly with top Ministry of Forestry officials in order to clarify the legal accuracy or otherwise of the Rimba Raya Conservation Project’s claims that the Indonesian Government had approved a work area of 64,000 hectares for the Rimba Raya Conservation Project. The legal accuracy of our findings was supported by a spatial accuracy analysis, which we used as the basis for arriving at our report’s conclusions.

Greenomics Indonesia is grateful for the concern shown by the Ministry of Forestry and for its willingness to facilitate a legal and spatial verification of the claims made by the Rimba Raya Conservation Project. The Ministry, in doing so, was abiding by its commitment to promoting good corporate governance in the forestry sector, especially in terms of licensing transparency in connection with carbon and ecosystem restoration projects.

## Is it true that the Indonesian Government has earmarked 64,000 hectares for the Rimba Raya Conservation carbon project?

This question needs to be responded to both legally and spatially. Legally, it is incorrect to say that the Indonesian government has approved a work area of 64,000 hectares for the Rimba Raya Conservation Project. In fact, only 36,331 hectares has been approved for the Rimba Raya Conservation Project work area by virtue of the license issued by the Forestry Minister on 5 March 2013.

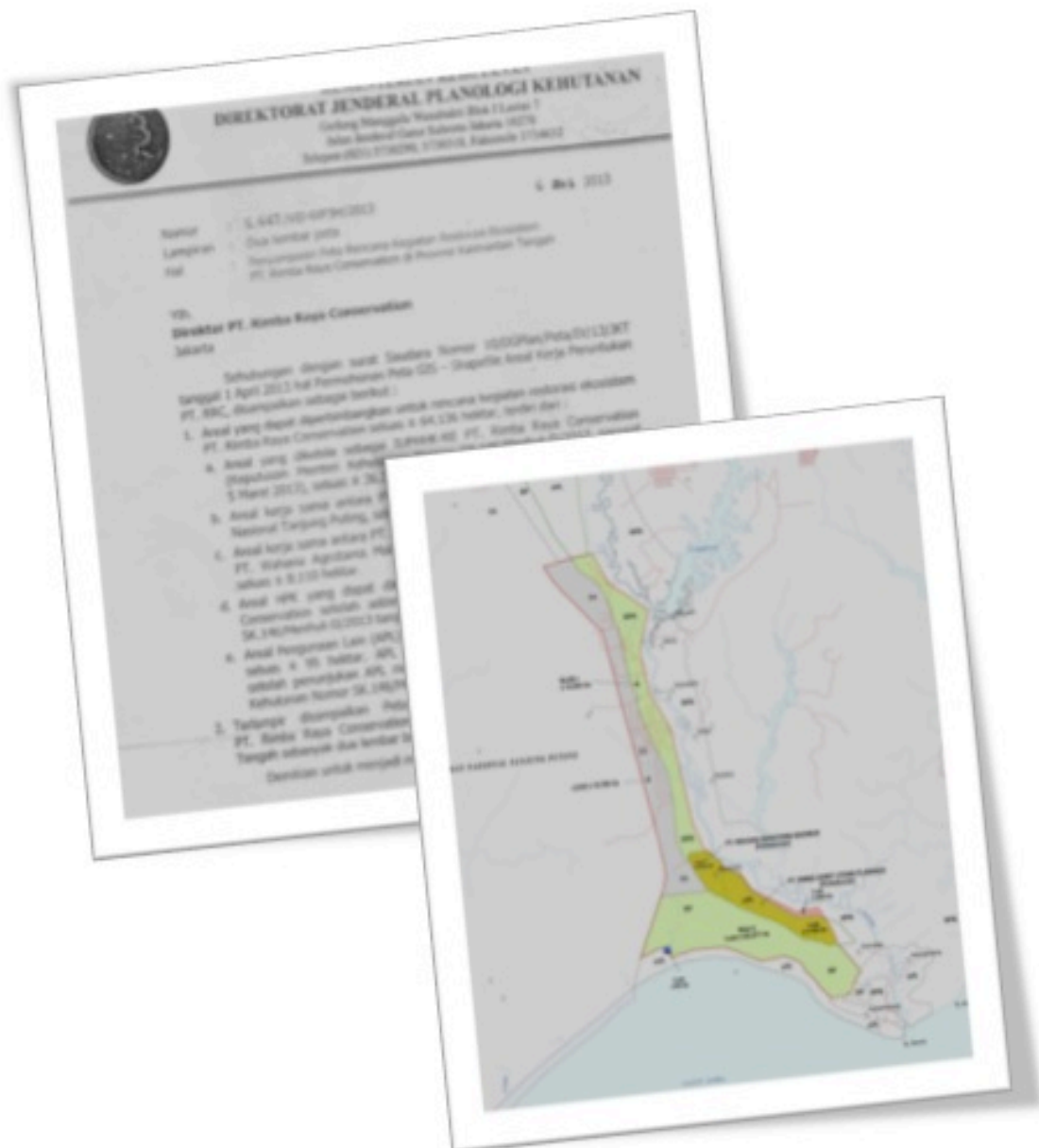
The following is a scanned copy of the ministerial decree.



While it is true that the letter issued by the Director General of Forestry Planology on 6 May 2013 in response to the application submitted by the Rimba Raya Conservation Project in the form of a shape file map for the restoration of the Rimba Raya Conservation ecosystem did state that the area that could be considered for the Rimba Raya ecosystem restoration plan amounted to 64,136 hectares, it needs to be underlined that the phrase used in the letter was "could be considered".

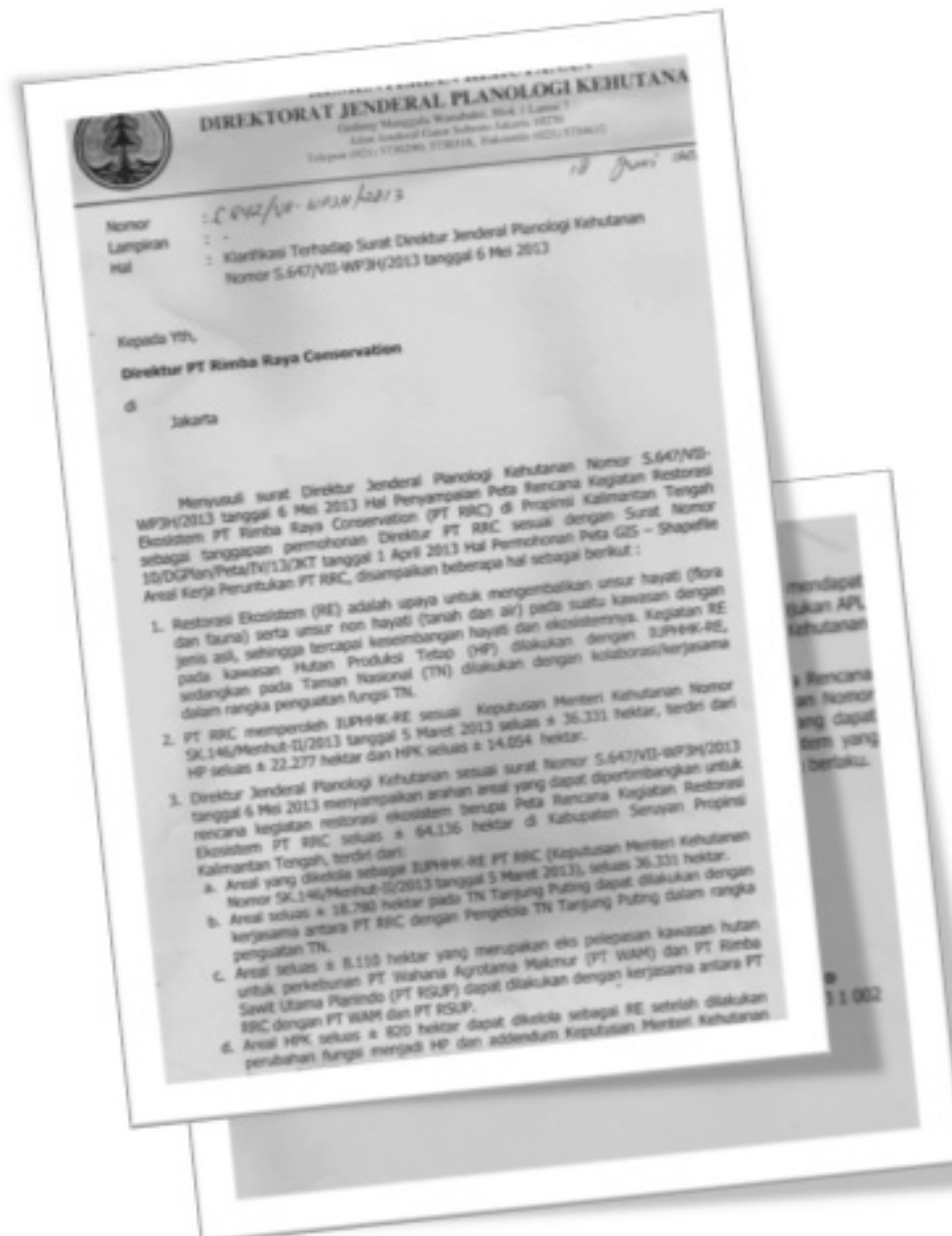
Thus, it should come as no surprise that the said letter also stated that only an area of 36,331 hectares had been granted an ecosystem restoration license, while the remaining area had not.

A copy of the letter and the map attached to it are shown below.



After the claims by Rimba Raya Conservation Project – which had been carried by various international media – to the effect that the Indonesian Government has approved a Rimba Raya Conservation carbon project covering 64,000 hectares, the Director General of Forestry Planology sent a letter to Rimba Raya Conservation on 18 June 2013 to clarify his earlier letter of 6 May 2013.

The second letter reiterated that areas other than the 36,331 hectares for which an ecosystem restoration license had been issued would have to be processed in accordance with the legislation in force. This means that it was incorrect for Rimba Raya Conservation to claim that a license had been issued for an area extending to 64,000 hectares.



It needs to also be highlighted here that the 64,000 hectares claimed by Rimba Raya Conservation as being approved by the Indonesian government includes 18,642 hectares of the Tanjung Puting National Park. According to the letter of 10 May 2013 which was issued by the Acting Director General of Forest Protection and Nature Conservation, the Ministry of Forestry has given in-principle approval to the request by Rimba Raya Conservation for management collaboration with the Tanjung Puting National Park authorities.

In this letter, it is stated that should a Minister of Forestry Regulation on carbon utilization be published, the specific form of the collaboration will be harmonized in accordance with the rules set out in such Ministry of Forestry Regulation. Such Ministerial Regulation would provide a legal basis for carbon project operations in the National Park area. However, as of the date of publication of this report, the Minister of Forestry had yet to issue the regulation, which is still at the discussion stage.

The following is a copy of the letter.





Responding to the claims about Rimba Raya Conservation carried through the press release of SCS Global Services titled "World's Largest REDD Project, Rimba Raya, earns VCS Verification from SCS Global Services," which was issued on 30 May 2013, the Acting Director General sent a letter to Rimba Raya Conservation on 13 June 2013.

In this letter, the Acting Director General reiterated the statement in his previous letter of 10 May 2013 to the effect that the proposed collaboration between the Tanjung Puting National Park authorities and Rimba Raya Conservation involving 18,642 hectares of the National Park would be confined to efforts to strengthen the functions of the national park.

The following is a copy of the said letter.



It was also stressed in the letter that the collaboration could not as yet accommodate exploitation activities in the form of carbon storage and/or absorption as a license for this would be needed from the Minister of Forestry or other designated official in order to fulfill the legal aspects of the Rimba Raya Conservation carbon project in the Tanjung Puting National Park. Such license has never been issued as a Minister of Forestry Regulation governing it has also not been issued.

Thus, the Rimba Raya Conservation Project cannot avail of 18,642 hectares of the Tanjung Puting National Park for its carbon project.

In addition to an ecosystem restoration license area covering 36,331 hectares and the 18,642 hectares of the Tanjung Puting National Park, there is also an area of 8,110 hectares of palm oil plantation owned by PT WAM and PT RSUP. In the letter from the Director General of Forestry Planology referred to above, it was stated that the area in question is the subject of collaboration between the two palm oil companies and Rimba Raya Conservation.

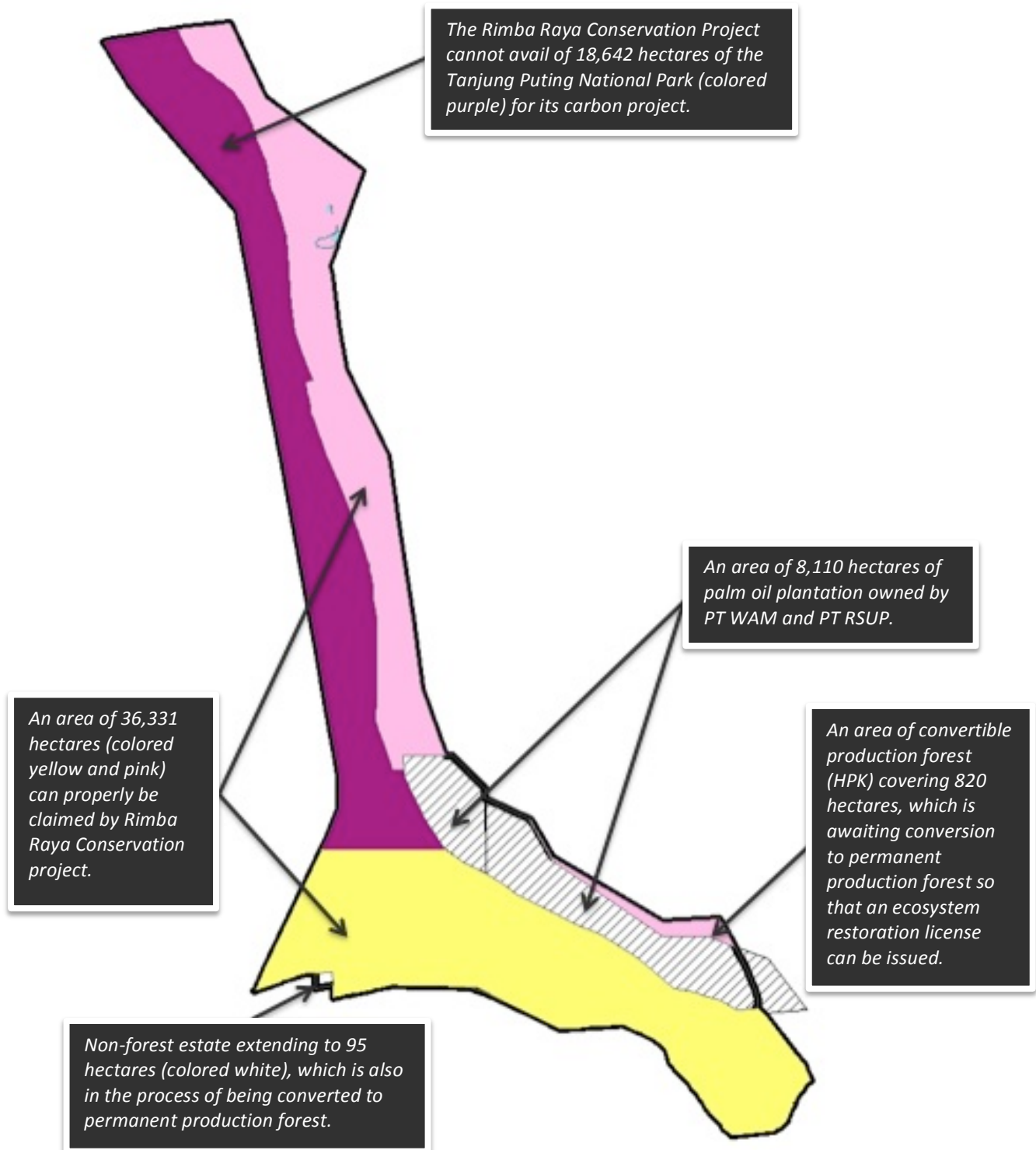
There is also an area of convertible production forest (HPK) covering 820 hectares, which is awaiting conversion to permanent production forest so that an ecosystem restoration license can be issued.

In addition, there is non-forest estate extending to 95 hectares, which is also in the process of being converted to permanent production forest for the purpose of obtaining an ecosystem restoration license.

***The request for collaboration by Rimba Raya Conservation to the Tanjung Puting National Park authorities was made after an application to have 18,772 hectares of the Tanjung Puting National Park converted to production forest for use as the license area for the Rimba Raya Conservation ecosystem restoration project was rejected by the Ministry of Forestry.***



Thus, it may be concluded that Rimba Raya Conservation is only entitled to point to 36,331 hectares as having being approved for ecosystem restoration by the Indonesian Government, as evidenced by a legal and definitive permit. Spatially, the situation can be described as follows.



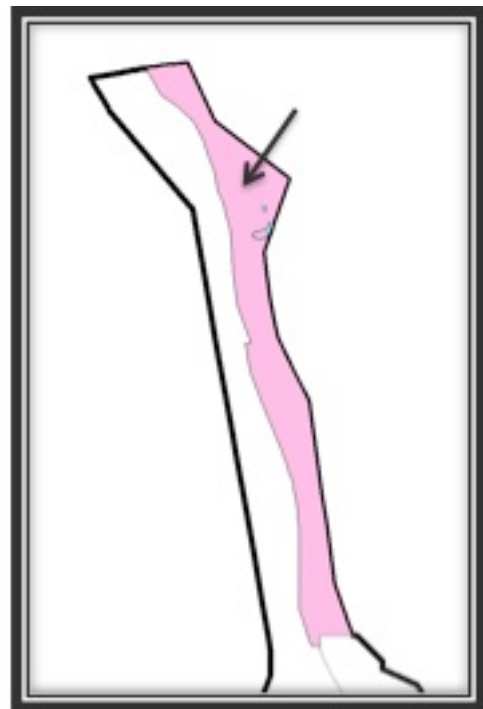
## Not all of the 64,000 hectares was "originally slated for development into palm oil plantations"

In the first paragraph of the press release issued by SCS Global Services on 30 May 2013, it was stated that *"The project (read: the Rimba Raya Conservation Project) will preserve carbon-rich tropical peat swamp and forest, originally slated for development into palm oil plantations ... "*. This statement needs to be clarified as it appears to suggest that the Rimba Raya Conservation Project will preserve an area of 64,000 hectares, which was "originally slated for development into palm oil plantations." The reality is that this claim by Rimba Raya Conservation is legally baseless. Why?

**First**, the area covered by the ecosystem restoration license issued to Rimba Raya Conservation on 5 March 2013 amounts to 36,331 hectares (part of the area of 64,000 hectares claimed by Rimba Raya Conservation). This 36,331 hectares comprises two forest function areas – a permanent production forest area of 22,277 hectares (*colored yellow*) and a convertible production forest area of 14,054 hectares (*colored pink*).

Of the area of 36,331 hectares, only 14,054 hectares can be claimed by Rimba Raya Conservation as being potentially available for palm oil plantation development (*shown in pink*). In respect of this area, the Ministry of Forestry is currently conducting the legal process of converting it from convertible production forest to permanent production forest.

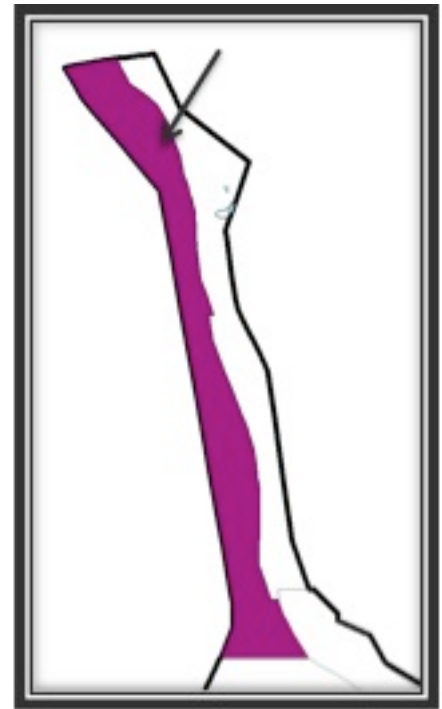
Meanwhile, the area of 22,277 hectares that is designated as permanent production forest (*shown in yellow*) is not an area that was "originally slated for development into palm oil." Spatially, the situation is as shown on this map.



**Second**, the area of 18,642 hectares in the Tanjung Puting National Park that is included in the abovementioned 64,000 hectares is also not an area originally slated for development into plantations.

In fact, Rimba Raya Conservation has proposed that this area of the National Park be converted into permanent production forest in order to secure an ecosystem restoration license.

However, this proposal was rejected by the Ministry of Forestry. The area of 18,642 hectares in the Tanjung Puting National Park is as shown on this map (*colored purple*).



**Third**, of the total area of 64,000 hectares, 8,110 hectares consists of palm oil plantations owned by PT WAM and PT RSUP. In reality, it is only this area that can be claimed as originally slated for development into palm oil. However, according to the letter from the Director General of Forestry Planology, this area still has to be processed in accordance with the prevailing legislation. The palm oil plantation areas of the two companies are shown on this map (*shaded areas*).



**Fourth**, of the total area of 64,000 hectares, there is also an area of convertible production forest covering 820 hectares (*colored pink*) and a non-forest estate area of 95 hectares (*colored white*). These areas can be claimed by Rimba Raya Conservation as areas that are potentially slated for development into palm oil.



On the basis of the legal and spatial facts set out above, more than 41,000 hectares of the 64,000 hectares (or more than 60%) was not originally slated for development into palm oil (*shown in green*).



Only the remainder may be claimed to have been allocated for palm oil development (*shown in red*).



## Recommendations

Rimba Raya Conservation Project should have secured a definitive license for the full 64,000 hectares of ecosystem restoration project before announcing it to the public. This is necessary to avoid overclaim that could harm the credibility of the Rimba Raya Conservation Project itself.

The Rimba Raya Conservation Project needs to explain to the public in detail about those areas that are not slated for development into palm oil out of the total 64,000 hectares that it is proposed to use for the Rimba Raya Conservation Project. This is essential so as to ensure legal accountability.

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