





# Berau Forest Carbon Program Community Livelihoods December 13, 2009













#### Phases of the program



•Program will seek funding for a 5-year demonstration phase. It is expected that during that time, international finance mechanisms will be agreed to by countries enabling strategies to be scaled up and sustainable financing to be achieved.

Full Implementation?? (2013- )

# Berau Forest Carbon Program Demonstration Phase (2010-2015)

- Scoping (Jan-Sept 08)
- Political support

contractors

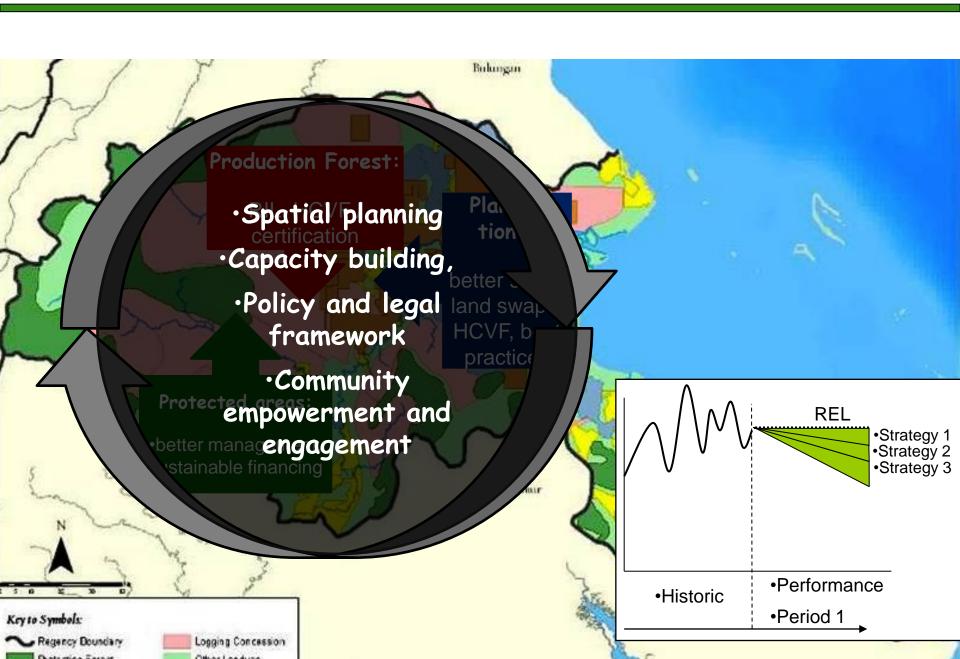
- Situational analysis/drivers
- Rough program design hypothesis
- Identification of partners/

- Development (Oct 08-Jun 10)
- Baseline scenario and monitoring approach
- Refine strategies for reducing deforestation and degradation
- Legal issues
- Stakeholder support
- Funding sources
- Business plan

- Pilot site-based strategies
  - Improved forest management
  - Forest restoration
  - -Oil palm swap
  - Land-use planning, policies, enforcement
- Monitoring and verification
- Adaptive management

- Strategies implemented across Berau
- Monitoring and verification
- Expansion to additional districts and provinces

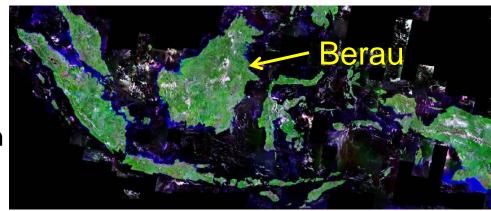
#### **Overview of BFCP**



#### **Challenges for Communities in Indonesia**



- 350+ ethnic groups in Indonesia
- 40-50 million people living in national forest area without recognized rights
- Decentralization process resulting in many unclear roles and responsibilities, including related to communities
- Highly mobile population

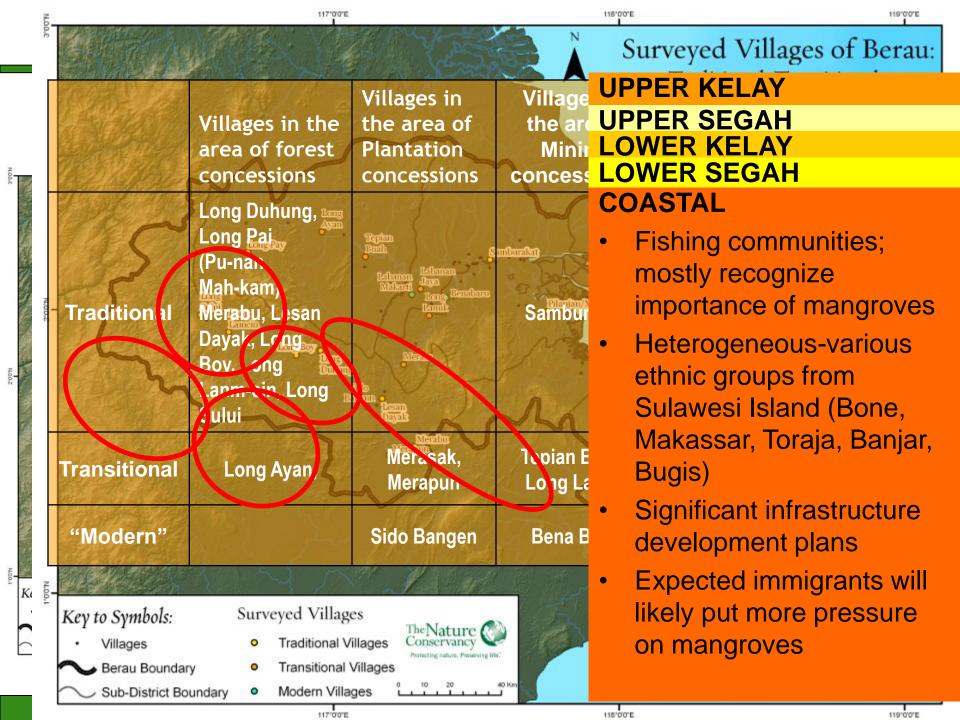


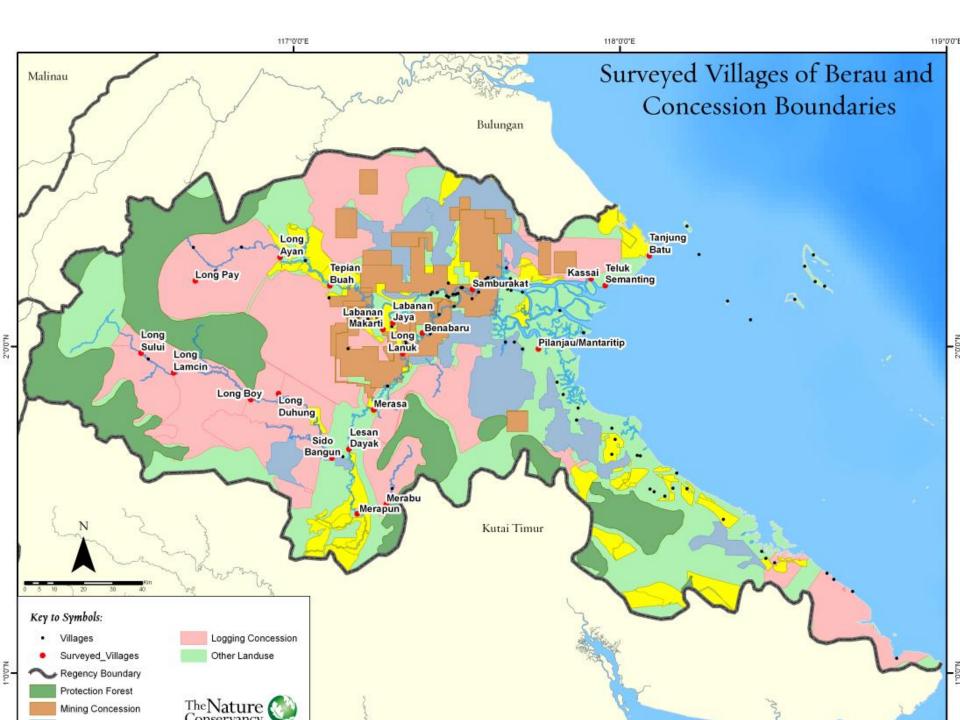


## TNC Experiences in Berau

- Conflict resolution
- Community protected areas
- Collaborative management







### Community-company relations





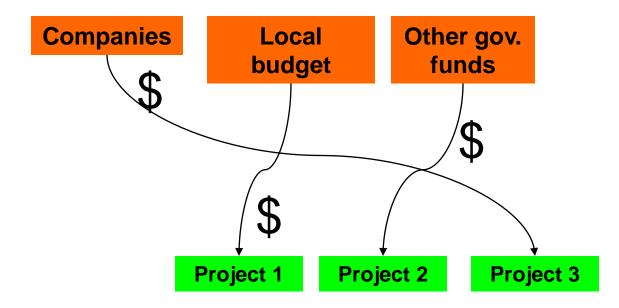


- Institutions at village level are weak
- Lack of rights makes relations with companies conflict-prone
- Unequal power results in low compensation
- Local people often outcompeted by outsiders

#### **CURRENT SITUATION:**

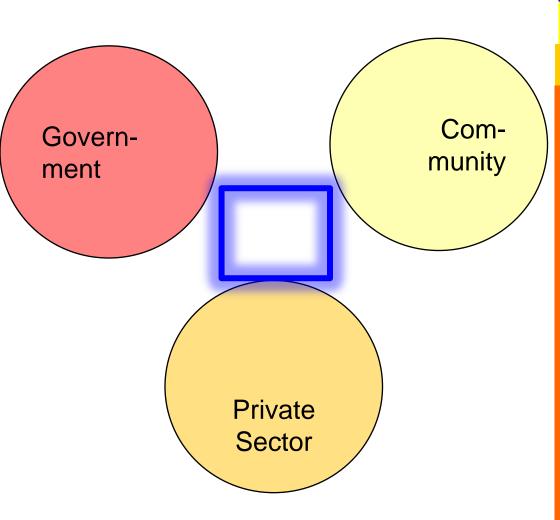


- 1) Weak village institutions;
- 2) Low funding from government and companies
- 3) Elite capture within villages
- 4) Investments not strategic



#### Overview of the strategy





# GOVERNANCE VILLAGES PRIVATE GOVERNMENT

- ACCESS RIGHTS/ LAND TENURE
- AGRICULTURAL EXTENSION
- POLICY
- SPATIAL PLAN

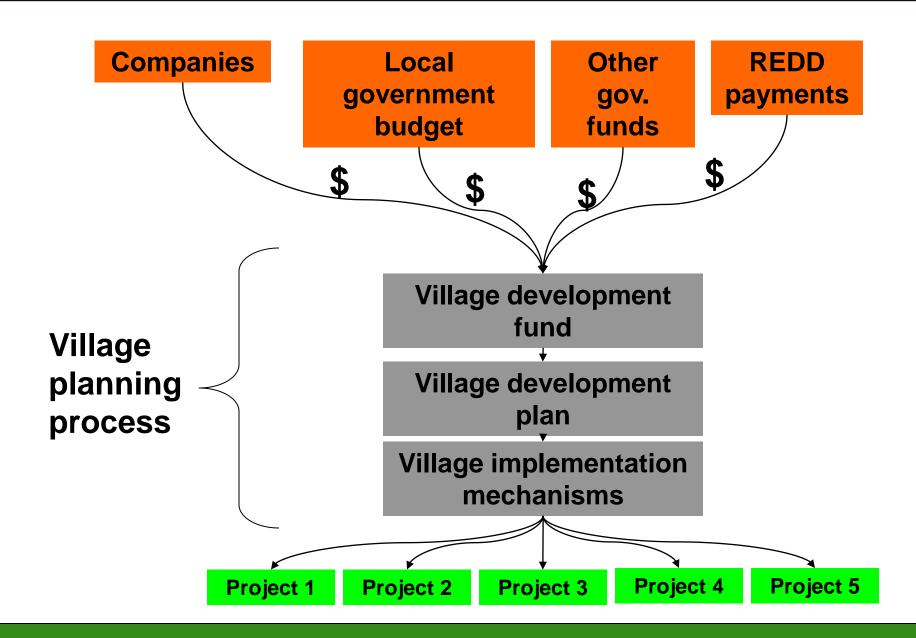
#### **OBJECTIVES FOR BFCP WORKING WITH VILLAGES**



- Strong village institutions, decisionmaking processes, and plans
- Increased flow of funding to villages from multiple sources
- Funds used for implementing highleverage projects
- Transparency and community monitoring of financial management

#### **Desired outcome**

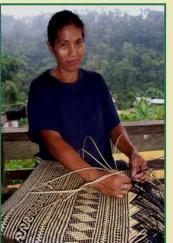




### **OVERALL LESSONS**











- Need to present "no regrets" strategies to communities—they should not bear risk of uncertainties of REDD policy
- Many mechanisms exist but need to be operationalized
- Bundling of carbon rights can help avoid problems
- Need to be realistic about what can be achieved in a short time

# Thank you

