



Kalimantan Forests and Climate Partnership

The Government of Indonesia and the Government of Australia announce their intention to be founding members, together with BHP Billiton, of the Kalimantan Forests and Climate Partnership to support the protection and rehabilitation of large areas of deforested peatland and at-risk peatland forests in Kalimantan.

The Kalimantan Forests and Climate Partnership is the first major programme in Indonesia supported by Australia's Global Initiative on Forests and Climate. It will rehabilitate drained peatlands and protect forested peatlands with a view to contributing to the common goal of addressing global warming and its adverse effects. The Partnership will also improve livelihoods for forest-dependent communities and promote biodiversity by restoring and protecting the habitat of endangered species such as orangutans.

Kalimantan contains one of the world's largest intact areas of forest and six per cent of global land-based biodiversity. Kalimantan also contains a large proportion of Indonesia's peatlands, which store far higher quantities of carbon per hectare than forests on mineral soils. The Kalimantan Forests and Climate Partnership will complement Indonesia's current efforts to promote sustainable forest management, tackle illegal logging and illegal trade in timber and forest products, as well as conserve rich biodiversity. It will also support Indonesia's national action plans on climate change and sustainable peatland management, which are currently in preparation.

The Kalimantan Forests and Climate Partnership builds on the current bilateral cooperation between Indonesia and Australia to reduce greenhouse gas emissions associated with deforestation in Indonesia. This cooperation includes substantial support for the Government of Indonesia's inter-agency working group on Reducing Emissions from Deforestation and Degradation in Indonesia (REDDI), which brings together a range of parties to develop methodologies and pilot activities, carry out carbon stock assessment and monitoring, promote good forest governance and prevent, monitor and suppress forest and land fires.

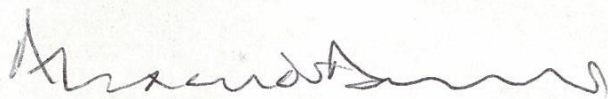
Through Presidential Instruction No. 2 of 2007, and also through the "Heart of Borneo" initiative – a joint initiative of the Governments of Indonesia, Malaysia and Brunei Darussalam – Indonesia is strongly committed to the

rehabilitation and protection of the peatlands of Kalimantan. More broadly, the Government of Indonesia is playing a prominent role in international efforts to develop effective incentive-based approaches to reducing greenhouse gas emissions from deforestation and forest degradation.

In line with the objectives of the Global Initiative on Forests and Climate, the Australian Government will aim to contribute up to \$30 million over four years toward the Kalimantan Forests and Climate Partnership, whose overall target for funding from all sources over the period will be \$100 million. This includes potential contributions or coordinated actions through existing Indonesian Government forest programmes as well as financial and in-kind contributions from other public and private sector donors; local governments; civil society organisations; researchers; and international non-government organisations active in Kalimantan. BHP Billiton's contribution will focus on activities aimed at avoiding further deforestation of high conservation value areas within the Indonesian part of the Heart of Borneo.

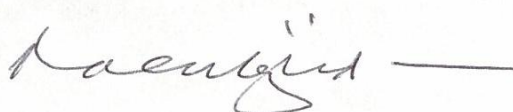
Details of the Kalimantan Forests and Climate Partnership, including the resolution of technical and methodological issues and the involvement of additional partners, will be defined in the coming months in coordination with the REDDI process through the Indonesian Forest Climate Alliance. The design and implementation arrangements for the Kalimantan Forests and Climate Partnership will aim to provide a practical and timely model of effective action on reducing emissions from deforestation that will contribute to the ongoing discussions on this important issue under the United Nations Framework Convention on Climate Change, at the forthcoming United Nations Climate Change Conference in Bali, and beyond.

For Australia:



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