

“Heart of Borneo”

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*Co-sponsored with the Asia Society Washington Center
 and the Malaysia-America Society*

Washington, DC, October 15, 2007

Tom Reckford of the Malaysia-America Society introduced the program, commenting on the great collaboration for this program. Ambassador Christopher La Fleur, former US Ambassador to Malaysia, created the idea for the “Heart of Borneo” initiative, which includes political aspects as well as conservation goals.

Adam Tomasek of the World Wildlife Fund began the program with a short film produced by the governments of Malaysia, Indonesia and Brunei. The Heart of Borneo is an international conservation effort marking successful trans-boundary government cooperation. Management of this area, and on this scale, would be too much work for a single government. The conservation area covers approximately 2.5 million hectares in central Borneo (Kalimantan) along the borders and interior areas of Indonesia, Malaysia (both Sarawak and Sabah), and Brunei. The region is home to many animal species that are under threat, including tigers, rhinos, elephants and orangutans, as well as clouded leopards, sun bears, flying fox bats and others. The conservation of plant species (over 5000 in the region) and human diversity also warrant urgent attention. Based on satellite monitoring, however, about 50% of the forest areas in central Kalimantan/Borneo have been lost as compared to a decade ago.

A challenge to the conservation program, besides ensuring the trans-boundary support and management, is that the tropical forests and the logging industry are at the center of local

development. It is important to focus locally, but it will also be necessary to move beyond the three sponsoring governments to regional governments and organizations and to the larger international community. Borneo is under the “chainsaw” more than other tropical forests; more timber is harvested there than in the Congo and Amazon basins. There’s also been a growth in demand for edible oils and biofuels, not to mention animal products that threaten wildlife. Wildlife trade is a big issue in the conservation effort and it is also an issue in maintaining biodiversity.

Public and private partnerships are new. There are many partnerships already in place, most recently with US organizations. The Heart of Borneo must be regionally relevant. It’s also necessary to close the gap between producers and buyers of natural commodities.

After all, “a lot of what’s special about the Heart of Borneo can’t be found anywhere else,” Tomasek concluded.

Klaas Jan Teule said that two years ago there was a serious threat to the Indonesian part of Borneo. At the time, the Indonesian government announced what was to be the world’s largest oil palm plantation. The plantation was to take up two million hectares in the center of Borneo (Indonesian Kalimantan). It was necessary to use scientific data to show the government that palm oil was not the best use of the land at that altitude. As it is, most of the converted land is

arid and not productive, but much of the palm oil plantation plan was a pretext to obtain the harvested timber that was to be taken out in land clearing.

The World Wildlife Fund began a global campaign against the Borneo threat. But once the initiative to conserve Borneo's forests was agreed by governments early this year, the threat of deforestation has moved to a new area -- to Papua. The Heart of Borneo initiative faces many challenges still. One important objective is to maintain water levels to adequately fight forest fires. The conservation area is also surrounded by commercial timbering, mining and oil operations. But there is an increasing recognition by the private sector on the value of this conservation project.

The Heart of Borneo declaration was signed on February 7, 2007, with the goal to complete a tri-lateral action plan by February 11, 2008. The area will not be managed by top-down governance, but from the bottom up. Every province in the region is to write its own management action plan.

Dr. Dionysius Sharma said that this milestone was achieved after five years of hard work. But sustainable development is necessary if the Heart of Borneo is to have a chance at remaining green. The goal is not to lock it away, but to implement sustainable activities for conservation and to provide livelihoods for the region's 56 million people.

In Malaysia, nineteen companies had been awarded 99 year leases in the managed area for palm oil development and clearing the forests. Most of the forest area in fact has poor quality timber and the land was not optimal for palm oil cultivation. The Malaysian government has done a good job at fighting the land conversion process and so far three companies have lost their licenses.

A second problem is the certification process. The Forest Stewardship Council (FSC) has a globally recognized certification process, but the Malaysian government has tried to implement its own certification with the Malaysian Timber

Certification Council. The World Wildlife Fund has tried to keep the FSC certification scheme and over 300,000 hectares are now going through the FSC process.

The Heart of Borneo initiative provides a new platform to promote trans-boundary and possibly inter-regional cooperation. Outgoing US Ambassador La Fleur gave a lot of support to this program and the governments are committing themselves to concrete actions.

Discussion

Q: Can something be done to market helpful products like ironwood? Given the biodiversity, is there any way more research can be done on marketable products? What are they?

A: Sharma: Yes. There are voluminous wood and non-timber forest products and there's a huge study going on right now on the total economic value of the Borneo forest. Science and politics are disjointed though. We have to hope that we'll be able to work in different ways and that politics will catch up with the conservation and scientific needs.

Q: There has been publicity about incidents several years ago regarding conflicts between the indigenous people and transmigrants who came to Kalimantan to plant rice. Is transmigration still going on?

A: Jan Teule: No, the program has officially stopped, but these migrants have been located in places with poor land and little hope of making a living. Courage is needed to revisit those policies. There are small companies who have helped bring products to market, like organic rice. Governments now are acknowledging the rights of the indigenous people in these managed areas.

Q: What about the interactions with the private sector? Have commercial firms become supporters? Is there a need for a strategy for this kind of interaction, and if so, what are the best strategies?

A: Jan Teule: There is a roundtable for sustainable palm oil development, which has a growing membership. The question is how can these actions translate on the ground? There is not yet a certification scheme for palm oil, at least not that I know of at this time. We are moving slowly to work with individual companies. One of the big challenges is how to emphasize the incentives for conservation and appropriate development.

We can expect pressure from special interest groups. For example, if it wasn't for the international attention, it's possible that Indonesia wouldn't pay attention to illegal logging. We're also working with the Asian Development Bank, at their invitation, to engage with civil society and governments on development issues in the Heart of Borneo. We're also working with China, the most important consumer of timber from Borneo, and the Chinese Development Bank.

Tomasek: The Heart of Borneo initiative has had the benefit of international experience such as in the Congo and Amazon river basins. What's promising is taking the lessons learned and translating them into policy. There should be more consistent tracking of results, but monitoring practices are developing.

Q: How is the flow of funds from donors traced to the desired users without some of it getting skimmed off? How is this monitored?

A: Jan Teule: I ask that question, not answer it. We try to influence donors to bring money to the programs that the World Wildlife Fund has set up. We need to do more to track funds, however. The pledges are there and we hope the government will invite credible organizations to oversee the use of these funds for valid development and conservation purposes.

Q: On a "micro" level, is there compliance, management and enforcement?

A: Sharma: Yes, enforcement is beginning. All levels of government are told that they need to invest in resource conservation, but it's a sin to have all the right policies but no enforcement.

Malaysia has had an extremely bad track record on enforcement. The challenge is to have enough honest people to enforce the laws and not open themselves up to a short term gain. It's not going to be easy. The borders are so porous and timber can leave anywhere.

Jan Teule: I see some change in Indonesia, but I'm not sure how far it will go. Border crossing has stopped in areas where there used to be 100 timber trucks crossing per day. This shows that there is some commitment.

Q: On the "macro" level, there's been an increasing demand for lumber and now palm oil. What's the long term solution to the demand issue?

A: Tomasek: Demand drives a lot of changes on the ground and the macro level needs to be rationalized. The rate of loss in timber harvesting is ridiculously high and uneconomical, although there have been some improvements. Things grow quickly in the tropics; with technology catching up, more efficient systems can be realized.

Jan Teule: There are no incentives to get on the road to timber certification and other internationally accepted monitoring systems. There is a lot of idle land that can be offered up for development opportunities, but currently there is no infrastructure or support from the government.

Sharma: If they are willing to pay the price, consumers can demand sustainable products.

Q: Along with enforcement, are you looking for ways to devolve responsibility to the grass roots level?

A: Sharma: It's been suggested, but we're not quite at that point. The World Wildlife Fund does not yet have the skill and resources at this time to work with people on the ground on a large scale basis. Time and resources will be needed to develop these capabilities.

The Heart of Borneo area is bigger than California, **Jack Garrity** of The Asia Society

reminded the audience in closing, and the conservation initiative is a huge task. The increasing prices of gold and timber have put an added pressure on the task, but there is change in the air. Last year was the first time the whole Southeast Asia region was concerned with the impact of the haze in Kalimantan which stems from forest clearing as well as slash-and-burn

agriculture. Governments on higher levels know what's taking place. But it is going to come down to developing business models for successful and sustainable forest exploitation. The World Wildlife Fund is doing a great job at identifying the issues and promoting viable solutions.