

Hadi Daryanto, the ministry's director general of forestry management, said on Thursday that opening these concessions in so-called degraded forests would ensure that natural and peat forests remained untouched.

"Indonesia has 35.4 million hectares of degraded forest that we can designate as agricultural and forest concessions," he said.

"By using degraded forests instead of virgin forests, we can develop more concessions and keep emissions low, as well as providing jobs in the forestry sector."

The government sells permits each year to use publicly owned land for specific purposes such as agriculture, logging and mining. Prices for such concessions vary depending on the land's location and intended use. The concessions are handed out throughout the year.

Last year, 487,744 hectares of such concessions came from degraded forests, surpassing the Forestry Ministry's target of 450,000 hectares.

Hadi said reusing previously logged land was part of the government's plan to suspend the issuance of new concessions in peat and primary natural forests.

The moratorium is part of a bilateral deal with Norway that went into effect on Saturday, the first day of 2011. In return for the moratorium, Norway will provide \$1 billion in funding for Reducing Emissions from Deforestation and Forest Degradation (REDD-Plus) schemes.

"Besides implementing the Indonesia-Norway agreement, we can also use this to attain our national emissions reduction target of 26 percent by 2020," Hadi said. "At the same time, it gives the ministry a role in helping to achieve the GDP growth target of 7 percent by 2014."

He said the target for new concessions this year was up from 2010 because of an increased demand for wood pulp.

"Even though there's rising demand for wood pulp, and hence for forest concessions, we've already mapped out the projected concessions so there's no possibility of clearing natural or peat forests," he said.

Hadi also said that because the issuance of land concessions was a lucrative business, the government was concerned about parties posing as brokers for investors seeking permits.

"We need a monitoring team to supervise the implementation of the moratorium on new concessions in peat and natural forests," he said.

Mas Achmad Santosa, an environmental law expert, said the effective implementation of the moratorium could only be ensured with firm legal support.

“It will take some time before the government issues a policy as the legal instrument to back the moratorium,” he said.

“Therefore it’d be better if the president issued a decree on implementing the moratorium.”

Mas said that besides the lack of a legal foundation, the moratorium was threatened by the prospect of regional administrations not acting in line with the central government’s logging policy.

“One thing we need to be concerned about is the possibility of regional administrations issuing their own concessions in natural and peat forests,” he said.

“With regional autonomy now in place, regional administrations are under pressure to raise their own income.”