

“Zulkifli rejected the request because peatland forests in Katingan are to be allocated for conservation projects,” Hadi Daryanto, the ministry’s director general of production forest development told The Jakarta Post on Saturday.

Central Kalimantan has the largest area of peatland of all the provinces. The peatland stores huge amounts of carbon.

Last month, UN climate adviser and philanthropist George Soros visited Katingan to inspect peatlands in the area, but Hadi was quick to point out that Soros’s visit had nothing to do with the government’s rejection.

The governments of Indonesia and Norway signed a letter of intent (LoI) on a climate deal in May requiring Indonesia, the world’s third-largest forest nation, to slow down forest loss. In return, Indonesia would receive US\$1 billion from Norway under a climate change scheme.

The government would stop issuing new permits to convert natural forest and peatland for two years starting in 2011 with the pilot project for the moratorium to be announced in October at the latest.

A source told the Post that Central Kalimantan would likely host the pilot project.

Indonesia has 120 million hectares of forest, but the country’s deforestation rate hovers at 1 million hectares per year.

Zulkifli has repeatedly claimed he had not issued any permit to convert peatland for commercial purposes since he took office last year.

The 2007 Spatial Law prohibits the conversion of peatland with a depth of more than 3 meters.

Hadi said the ministry would implement new forestry mechanisms to shift income from selling timbers to ecosystem restoration projects. “Indonesia is the first country to implement the so-called innovative forestry mechanism,” he said.

The conservation projects would be held in former logging areas to restore damaged ecosystems and biodiversity.

Concession holders can reap money from trading in carbon in the forests, environmental services or opening ecotourism sites in the area.

“They could still be allowed to harvest timber, but it would not be their core business,” he said.

The permit for ecosystem restoration projects would be valid for 60 years and could be extended for another 35 years.

The ministry is looking to allocate 500,000 hectares per year for ecosystem restoration activities.

A map issued by the ministry indicates that conservationists could run ecosystem restoration projects in 40 million hectares in the country.

So far this year, the ministry has issued permits to PT Restorasi Ekosistem Indonesia (REKI) in Jambi and South Sumatra with 98,000 hectares and another 86,450 hectares to PT Orangutan Habitat Restoration Indonesia in the East Kutai district of East Kalimantan.