

Multiple assessments have found that this peat dome area, previously allocated as concession for PT Putra Riau Perkasa (PRP), which supplies APP with pulpwood, is rich in biodiversity and needs to be protected.

The peat dome is expected to preserve significant amounts of carbon for the next 33 years, Carbon Conservation chief executive officer Dorjee Sun said.

“Carbon credits earned from the conservation area will then be sold to interested companies around the globe,” he said

Dorjee said the project was designed to use the sale of carbon credits to inject millions of dollars into job creation and community development programs for indigenous people around the conservation area.

“We must make sure this project brings long-lasting community benefits,” he said at the project launch at the Grand Hyatt Hotel in Jakarta.

However, the project will need US\$2 million to get started.

Sun said the company had yet to formulate detailed strategies or programs to develop local communities. However, the company planned to spend the next six months discussing such issues with local community groups, regional administrations and other related stakeholders to figure out their real needs, he said.

APP sustainability managing director Aida Greenbury said the company and Carbon Conservation were working together with the Forestry Ministry, PRP and other stakeholders to run the project, which she said could act as a model in tackling climate change.

“We are creating real community investment programs directed at the true root of Indonesia’s environmental issues: poverty in the indigenous communities surrounding the rainforests,” Greenbury said.

Among the main greenhouse gas emissions problems Indonesia needed to tackle was the traditional slash-and-burn technique employed by forest farming communities, who relied on this forest-clearing method for survival.

APP has been widely accused by green groups and environmentalists of committing large-scale deforestation. Retail giant Carrefour has stopped buying paper from APP because of environmental issues.

Indonesian National Climate Change Council (DNPI) executive director Rachmat Witoelar said he appreciated the commitment made by Carbon Conservation and APP to preserving the environment and developing local communities. “Now we have a concrete example of what Indonesia should and could do,” he said.

Forestry Ministry secretary-general Hadi Daryanto said public-private partnership schemes such as the one in Kampar were the best way to preserve Indonesian forests, since the ministry had “only” Rp 2 trillion per year for this purpose. “The budget is insufficient, so private investment is needed,” Hadi said. **(rdf)**