

The pledge was formally announced by Indonesian President Susilo Bambang Yudhoyono and Australian Foreign Minister Kevin Rudd on Thursday in Bali, where they were attending the Bali Democracy Forum that closed on Friday.

Two-thirds of the fund, which is part of Australia's \$599 million fast-start climate change financing scheme, will be allocated to REDD Plus (Reducing Emissions from Deforestation and Forest Degradation) activities.

The remaining \$15 million will be dedicated to adaptation efforts in Indonesia, especially for research into the impact of climate change and technical support to developing local adaptation responses.

"We welcome the Australian government's commitment under Indonesia's REDD Plus partnership," Kuntoro Mangkusubroto, Indonesia's REDD task force chief, said at a media conference in Cancun, Mexico, where global talks on the issue were being held for the past two weeks.

"At the start, it was only between Indonesia and Norway, but somehow it has evolved into a new model of partnership for REDD Plus — to become multilateral cooperation where other countries, agencies, banks or institutions can join in."

The REDD Plus partnership was initiated under a bilateral agreement signed in May between Indonesia and Norway that set out \$1 billion in funding for reducing emissions from deforestation and forest degradation.

Indonesia and Australia had already established a REDD partnership in June 2008, under the Indonesia-Australia Forest Carbon Partnership, which includes \$30 million for the Kalimantan Forests and Climate Partnership, \$30 million for the Sumatra Forest Carbon Partnership and a further \$10 million package of support for Indonesia to preserve forests and combat climate change.