



## ORANGUTAN CONSERVATION SERVICES PROGRAM

# PROGRESS REPORT QUARTER ONE AND TWO

MARCH 2, 2007 – SEPTEMBER 30, 2007

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## TABLE OF CONTENTS

CHAPTER 1: EXECUTIVE SUMMARY.....	1
CHAPTER 2: STATEMENT OF PURPOSE.....	3
CHAPTER 3: ORANGUTAN CONSERVATION SERVICES PROGRAM (OCSP) OVERVIEW.....	4
CHAPTER 4: PROGRESS TOWARDS MAIN OCSP COMPONENT OUTCOMES.....	5
Program Mobilization .....	5
Grants Management .....	5
Component 1. Improved management and conservation of strategic wild orangutan populations and their habitats.....	6
1.1. Build capacity for regional and local authorities to engage in spatial planning that conserves forests harboring orangutan populations.....	7
1.2. Support local conservation efforts through coordinated multistakeholder approach to orangutan habitat protection and management.....	8
1.3. Implement orangutan habitat conservation program in the Berau and East Kutai Districts (East Kalimantan).....	11
1.4. Implement orangutan habitat conservation program in Tanjung Puting National Park (Central Kalimantan).....	14
1.5. Implement orangutan habitat conservation program in a large, multifunctional forest area (Kalimantan) .....	16
Component 2. Improved enforcement of laws and regulations that combat habitat destruction and other threats to wild orangutan populations.....	16
2.1. Reinforce national policies that support the conservation of wild orangutan populations and their habitats .....	16
2.2. Facilitate technical support for implementation of national laws and district ordinances that combat habitat and species destruction .....	17
2.3. Support strengthening of techniques in local level enforcement to combat encroachment and hunting.....	19
2.4. Develop and implement research project that clearly demonstrates the impact that forest clearing and oil palm development has on orangutan populations.....	19
Component 3. Partnerships that improve coordination and liaison among stakeholders engaged in conservation of wild orangutan populations .....	19
3.1. Facilitate improved cooperation and collaboration among local authorities, NGOs, and the private sector .....	20
3.2. Develop action plans on issues important to orangutan conservation nationally .....	20

3.2. Develop working groups at regional level to deal with a range of issues relevant to OCSP outcomes on orangutan conservation.....	21
3.3. Facilitate agreements with the private sector to implement conservation.....	21
Component 4. Improved outreach and communication that builds commitment and support for orangutan conservation.....	23
4.1. Build local, national & international media support for orangutan conservation across the program.....	23
4.2. Develop Program Identity and communications strategy and materials across the program.....	23
4.3. Development & management of program website.....	26
4.4. National campaigns to support conservation of orangutan.....	26
4.5. Implement exchanges and program visits to conservation sites for regional, national and international stakeholders.....	26
Component 5. Sustainable Financing.....	28
5.1. Establish a framework for collaboration on sustainable financing for orangutan .....	28
APPENDIX .....	30
Appendix One: Report on OFI Meeting with Minister of Forestry, M.S. Kaban.....	30
Appendix Two: Report on OFI Meeting with Minister of the Environment, Ir. Rachmat Witoelar .....	35

## LIST OF ABBREVIATIONS AND ACRONYMS

BHS	Basic Human Services office of USAID
BPK	Directorate of Forest Production and Management within the Indonesian Ministry of Forestry
BPKH	Balai Pemantapan Kawasan Hutan or Forest Mapping Office
BTNTP	Tanjung Puting National Park Office
CoP	Chief of Party
COP 13	13 <sup>th</sup> Conference of the Parties to the UNFCCC
CSR	Corporate Social Responsibility
CTO	USAID Cognizant Technical Officers
DAI	Development Alternatives, Inc.
DCOP	Deputy Chief of Party
Gol	Government of Indonesia
ISP	Integrated Spatial Planning
HCVF	High Conservation Value Forest
ICITAP	International Criminal Investigative Training Assistance Program
IUCN	The World Conservation Union
KSDA	Natural Resource Conservation Agency within the Indonesian Ministry of Forestry
MoU	Memorandum of Understanding
NGO	Non-governmental Organization
OCSP	Orangutan Conservation Services Program
OFI	Orangutan Foundation International
OFUK	Orangutan Foundation United Kingdom
PHKA	Directorate of Forest Protection and Nature Conservation within the Indonesian Ministry of Forestry
PHVA	Orangutan Population and Habitat Viability Assessment
TAMIS	Technical and Administrative Management Information System
TNC	The Nature Conservancy
USAID	United States Agency for International Development
USD	U.S. Dollar
USFS	United States Forest Service
WE	World Education

## CHAPTER I: EXECUTIVE SUMMARY

This report serves as the projects first and second Quarterly Progress Reports for the Orangutan Conservation Services Project (OCSP). The report covers the period from initial program start-up on March 2, 2007, through the first quarter, April-June 30, and second quarter July 1-September 30, 2007. As the OCSP workplan was approved in September 2007 it was determined by the CTO and Chief of Party efficient to combine reportage of progress in the first two quarters into one report. This initial report provides information regarding the early stages of project mobilization as well as commencement of OCSP activities.

The Report provides over-arching achievements, descriptions of progress in each program component and details of upcoming significant events.

### Progress Highlights

- Establishment of central Jakarta office and branches in Kalimantan and Sumatra complete as well as major program deliverables (workplan, grants manual, PMP, threat analysis, RFAs).
- OCSP technical staff are working with the Ministry of Forestry's Directory of Forest Protection and Nature Conservation (PHKA) to support the design and development of an orangutan conservation plan that is consistent with OCSP project goals. OCSP has garnered the support of PHKA in pulling together and incorporating information into their Indonesia Orangutan Strategy and Action Plan. The orangutan action plan revision is almost completed and plans are being finalized to announce the signing of the strategy at COP 13.
- An orangutan survey was conducted in an acacia plantation south of Kutai National Park in East Kalimantan. It is unclear what extent the results from this area can be extrapolated but the findings potentially mean that between 2,000 and 10,000 orangutans survive in this area where previously few were thought to occur.
- OCSP arranged field visits to orangutan sites for the Assistant Secretary of State for Oceans, Environment and Science and the Charge d'affairs and USAID Mission Director, as well as several staff from USAID and the US Embassy.
- OFI visited with the Ministers of Forestry and Environment to discuss the boundary issues facing Tanjung Puting National Park.
- OCSP Sumatra has established an Enforcement Working Group through extensive discussions with local and international NGOs and local government officers, including those in Gunung Leuser National Park. A training course has

been structured for an initial group of 10 field investigators and seven data analyses officers. The training courses will begin in November for field investigators and January 2008 for the data analyses officers.

- A number of working groups and committees formed by OCSP in Jakarta and the regional programs that have resulted in considerably improved working relationships and coordination between orangutan conservation actors and conservation organizations.
- Mechanism to receive funds under a non-profit status identified and arranged. An Orangutan Conservation Fund has been established at Arabella Philanthropic Advisors in the United States to receive tax deductible contributions from U.S. donors.
- An update report was made in person by OCSP to a senior staff of Senate Appropriations Committee, Subcommittee on Government Operations U.S. Congress.
- A \$10,000 planning grant solicited and received from Joel and Arline Epstein for preparation of an Orangutan Conservation public education and media
- World Bank and other bilateral donor agencies engaged and assisted in identifying orangutan habitat sites suitable for alternative financing schemes. Indonesian REDD Program and Indonesian Carbon Alliance (Ministry of Forestry) engaged and progress on preparation of REDD reports for COP13 in Bali tracked.

#### Upcoming events

- AusAid delegation to visit Tanjung Puting National Park with OCSP in November to discuss possible programmatic linkages/support.
- Grants selection and awarding process to take place in November and December.
- Preparation under way for presenting OCSP at COP 13 in Bali in December
- Department of Forestry Orangutan Action Plan and Strategy to be signed in Quarter three.
- Consultant to complete his report on options for developing a multi-stakeholder orangutan forum.
- Multi-stakeholder conservation action planning workshop for West Batang Toru Forest Block in November.
- US Ambassador to participate in an event where an MOU will be signed between OCSP and Bapedalda North Sumatra in November 2007.

## CHAPTER 2: STATEMENT OF PURPOSE

The two species of orangutan (*Pongo pygmaeus* in Borneo and *P. abelli* in Sumatra) are classified as “endangered” and “critically endangered” respectively. Some 7,000–7,500 Sumatran orangutan survive in a much fragmented forest landscape. In Borneo 40,000–50,000 of the animals remain, but are distributed over almost 50 geographically isolated populations. Orangutan populations have been decimated over the past few decades and this decline has accelerated significantly since 1998.

The loss of forests in Kalimantan and Sumatra is principally responsible for the reduction in orangutan numbers. Orangutans are relatively adaptive species. They survived several million years of climate change, disease, and predations in their South-East Asian habitat. However, if orangutan habitat is destroyed, they will die. This forest loss eliminates or damages their habitat, impairs general ecosystem functions and erodes human social and economic assets. These latter impacts further impoverish local communities which increase hunting pressure on the orangutan.

During the Suharto era, forest was lost through large-scale conversion, fire, and unsustainable timber harvesting. Following decentralization in 1998, when some forestry and plantation licensing came under district and provincial authority, the situation deteriorated further. The large-scale political, social and economic changes lead to rapid conversion of forests and increased degradation of the natural resource base. Opportunistic business interests take advantage of political power struggles between the municipalities for financial gain with little recognition being placed on the future impacts of these actions on the economy, environment, or quality of life of local community members.

Local authorities have been driven by an economic motive to overexploit their resources to meet constituents’ demands for rapid development. In many regions, forests and other natural resources are being mined to finance short-term economic growth at the expense of longer-term sustainable development. This has all led to very high rates of forest loss. For example, between 1990 and 2004 some 3,122 km<sup>2</sup> of habitat disappeared from Borneo. If these rates continue, orangutans will be extinct in the wild before 2050.

Orangutans and their forest habitat are genuine assets, and their conservation should create many environmental and economic benefits for the Indonesian people. Moreover, orangutans are flagship species that should symbolize conservation efforts throughout Indonesia. Their continued presence in the wild requires the commitment and support of multiple actors working at national, regional, and local levels. The lessons learned from local efforts must inform national policy, just as better policies must spur implementation activities in and around the remaining habitats. In this regard, saving the orangutans is about conserving its forest habitat and reducing the main threats to their numbers in those forests. Sustainability of conservation efforts can only be accomplished through sound management, effective law enforcement, creative partnerships, successful public outreach and communications and sustained financing.

## **CHAPTER 3: ORANGUTAN CONSERVATION SERVICES PROGRAM (OCSP) OVERVIEW**

The Orangutan Conservation Services Project (OCSP), contract No. 497-C-00-07-00016-00, is a USAID sponsored program that runs through September 30, 2009. OCSP is the key biodiversity conservation program of USAID/Indonesia and directly contributes to USAID's environmental and biodiversity objectives. The program is administered under the Basic Human Services (BHS) Office of USAID, which includes an interlinking set of health, environment, food security/nutrition and avian influenza programs. OCSP is a consortium lead by DAI with subcontracts to Orangutan Foundation International (OFI) and The Nature Conservancy (TNC). Its offices are located in Jakarta, Medan and Balikpapan.

OCSP is a crisis response program that aims to maximize protection and long-term survival of viable orangutan populations in the wild. The program works to arrest, reduce or possibly eliminate threats to orangutans as well as address the major drivers behind those threats. Main drivers of orangutan habitat loss and population decline include forest conversion, unsustainable logging and wildlife trafficking.

The program is implemented by DAI, together with key partners, subcontractors and sub grantees to achieve the following five major components (a fifth 'Finance' component has been broken out from the original four contract components):

- i) management and conservation of strategic wild orangutan populations and their habitats;
- ii) enforcement of laws and regulations that combat habitat destruction and other threats to wild orangutan populations;
- iii) partnership development;
- iv) communications and outreach; and,
- v) sustainable financing.

OCSP focuses on selected sites with orangutan populations in Sumatra and Kalimantan to address threats at the site level, strengthen conservation practices, enforcement and spatial planning. At the same time as engaging local communities in conservation activities, the program also operates at a broader scale to improve enforcement of existing laws that protect habitat and orangutans; create mechanisms for long term conservation financing; strengthen partnerships and coordination of conservation organizations, private sector, community groups, and Government of Indonesia agencies at all levels; and, broaden awareness of issues in orangutan conservation through national and international media and public education campaigns.

## **CHAPTER 4: PROGRESS TOWARDS MAIN OCSP COMPONENT OUTCOMES**

### **Program Mobilization**

OCSP initiated its activities by mobilizing staff, putting systems and procedures in place, and establishing regional offices while at the same time undertaking field work and dialogue with local government and partners.

Over the first two quarters of activity, 12 Indonesian staff were hired, 3 expatriates mobilized and 3 offices opened located in Jakarta, Medan, North Sumatra and Balikpapan, East Kalimantan. In addition, IT infrastructure and a program management system (TAMIS or Technical and Administrative Management and Information System) was put in place. A summary of progress includes:

- Staff mobilized
- Operation, Personnel and Financial Manual and Policy completed
- Personnel database TAMIS completed
- Program introduced to NGOs, government and the business community in a variety of fora
- Inventory database set-up
- Trainings held on integrated spatial planning
- Regional offices up and running
- Work plan completed and approved
- Style guide completed and approved
- Performance Management Plan submitted for approval
- Threats analysis submitted for approval

### **Grants Management**

OCSP is charged with implementing a Grants Program totaling \$2,250,000 over the life of the project. The grants will be provided to non-governmental organization (NGOs) which may include international, national or indigenous organizations. A summary of progress included:

- Grants Manual completed and approved
- Grants management database set-up

- Grants awarded to Orangutan Foundation International and World Education for work in Tanjung Puting
- RFAs completed, approved, disseminated and presented at two workshops

The Grants Manual, which is key to initiating the grants program, was submitted in May and approved by the Contracting Officer in July 2007. Following this approval, OCSP awarded its first grant to Orangutan Foundation International (OFI) for a one month bridge funding period. A second award was made to World Education (WE) in early August to ensure continuity of WE and OFI activities in orangutan habitat conservation and community development in the area in and around Tanjung Puting National Park in Central Kalimantan. The second bridging grant to WE and OFI runs from August 1 – October 31, 2007.

The OCSP technical team and Grants Manager also began developing the Request for Applications (RFAs) in early July and submitted six RFAs to USAID approval at end of August. The grants ultimately awarded will go to support OCSP goals. Local and international NGOs will submit proposals by November 16 in response to the following RFAs:

1. Conservation of orangutan habitats mainstreamed into spatial plans in Northern Sumatra
2. Supporting Model Conservation Villages in Northern Sumatra to Safeguard Orangutan and their habitat
3. Campaigns and Media Outreach to Support Conservation of Orangutan and their habitat
4. Orangutan Habitat Protection in Tanjung Puting National Park
5. Orangutan Conservation in a Large Multifunctional Landscape in Kalimantan
6. Enforcement of Laws and Regulations that Prohibit Habitat Destruction and other Threats to Wild Orangutan Populations

### **Component I. Improved management and conservation of strategic wild orangutan populations and their habitats.**

**Overall Indicator:** Number of additional hectares of priority orangutan habitat that are protected or sustainably managed

Activity Indicators:

- Number of local authorities adopting new spatial planning
- Number of collaborative management agreements
- Number of hectares of orangutan habitat loss in Berau East Kutai
- Number of hectares of orangutan habitat loss in Tanjung Puting
- Number of hectares of orangutan habitat loss in a large multifunctional landscape

*1.1. Build capacity for regional and local authorities to engage in spatial planning that conserves forests harboring orangutan populations*

Improved collaboration has been achieved between orangutan conservation actors in northern Sumatra forged through establishment of multi-stakeholder (government and NGO) technical working groups. These Working Groups, working under the aegis of Bapedalda, North Sumatra (through an MOU draft agreement with OCSP) have separately begun to develop communication strategies, unitary strategic conservation management plans and enforcement strategies.

In addition to providing much improved opportunities for orangutan conservation actors to meet and communicate among themselves, these working groups are producing strategic plans in the fields of spatial planning and communication that will provide needed direction and purpose to orangutan conservation activities in northern Sumatra.

Establish improved transparency and community involvement in land use planning

A northern Sumatra biodiversity conservation planning working group has been established which includes lead local and international NGOs and provincial government spatial planners (including *Badan Rehabilitasi dan Rekonstruksi NAD/Nias*). The goal of this Group is to prepare a strategic biodiversity conservation spatial plan (including a subset focused on orangutan) that satisfies stakeholders. In this way, it is anticipated that conservation actors in both Aceh and North Sumatra can provide government spatial planners and land use decision makers with a clear spatial reference plan which will guide them on areas that should be recognized as having priority conservation attention in future government spatial plans. The process is also designed to obtain improved collaboration between all conservation stakeholders and to improve community involvement in conservation spatial planning.

This Conservation Planning Working Group first met on July 27, 2007 when a series of presentations were made to show the nature of the existing conservation spatial plans in northern Sumatra. These plans ranged from those derived from participation from communities in coastal west Aceh, through to putative management zonation maps for the Gunung Leuser National Park. The one common denominator in the plans presented was that they lacked an integrated spatial planning approach and did not focus on the initial identification of conservation assets or targets.

Over the first two quarters, OCSP has prepared a range of GIS themes - some composites and change analysis studies - that will assist the Working Group (scheduled to meet again on October 31, 2007) identify a number of prime conservation targets or their proxies, and then select strategic regional representatives of these targets for inclusion into a unitary plan. At this next meeting, OCSP will formally transfer management of this Working Group to BAPEDALDA North Sumatra. OCSP will continue to facilitate and mentor this Group as well as provide the major input into integrated spatial planning.

An RFA has been developed and disseminated that is focused on improving: government conservation spatial planning; community participation and transparency. Additionally, it includes the conduct an integrated spatial plan for Batang Toru area as a model exercise in integrated conservation spatial planning.

*1.2. Support local conservation efforts through coordinated multistakeholder approach to orangutan habitat protection and management*

OCSP preparation is well progressed to develop a Conservation Management Action Plan for West Batang Toru Forest Block to the east of Sibolga, North Sumatra. This is one of the key orangutan focus sites. Such an Action Plan is long overdue and very



Discussions with the Bupati, Tapanuli Selatan, Bapak Ongku Hasibuan, in Padang Sidempuan, September 26, 2007

necessary to guide activities to conserve what is the largest viable population of orangutan (estimated at 380 individuals) remaining south of the Danau Toba region.

Multi-stakeholder support has been gained from the three Tapanuli Kabupaten that intersect this Block and from NGOs working in the area. This has been achieved by frequent visits to the area by the three principal OCSP Medan technical officers. They have in addition to visiting all relevant government officers (where they obtained important background documents and information), also visited sites where NGOs are currently, or have recently implemented village conservation projects. In addition, discussions have been held with PT Teluk Nauli, who have a Forest Concession area that covers approximately 40% of West Batang Toru Forest Block. There is an apparent willingness for this PT to be managed in a way that is sensitive to its conservation values.

OCSP are developing and mining the background information for this planning process which is being assembled for inclusion into a guide for the multi-stakeholder workshop.

This improved background information includes a change analysis to show areas that have been a focus of recent encroachment, as well as a series of relevant GIS themes.

The workshop to identify priority conservation targets (including orangutan) and determine practical solutions to abate critical threats to these targets, is scheduled for the second week in December 07. There is a need, also urged by the Bupati, Tapanuli Selatan, for this workshop to be completed before the end of 2007. This is because Tapanuli Selatan will be divided into three Kabupaten in early 2008. It is appreciated that this division will slow down government participation in the action planning process. It is hoped that this multi-stakeholder Group will morph into a collective management body to implement the conservation Action Plan. And that the Action Plan will support current activities by several NGOs to attract alternative funding for implementation of the West Batang Toru Forest Block Action Plan: including from payments for environmental services (avoided deforestation); corporate social responsibility and; bilateral and multilateral donor agencies. Additionally, the Bupati, Tapanuli Selatan is keen to have this Action Plan as a blue print to develop similar conservation action plans in the other three conservation areas (*Kawasan Konservasi*) that are in Tapanulai Selatan, in addition to West Batang Toru forest Block.



Minister of Forestry, M.S. Kaban, presiding over the opening of a conference of communities surrounding Gunung Leuser National Park in Sumatra. The conference, held in Tangkahan on June 23<sup>rd</sup>, was sponsored in part by OCSP.

*1.3. Implement orangutan habitat conservation program in the Berau and East Kutai Districts (East Kalimantan)*

The development of a management plan for the Sangkulirang karst area and its orangutan populations has been delayed because the land use planning consultant that we selected did not get permission from his employer to work on the karst program. We are presently looking for a new consultant. To support the land use planning in and around the karst area, we have scheduled several orangutan surveys in the west of the Sangkulirang limestone area, specifically near the Sungai Lesan protection forest where TNC are trying to prevent planned oil palm developments or guide them towards less destructive approaches.

Further orangutan surveys are planned in the PT Essam area, an ex-timber concession deep in the heart of Borneo, from where in the early 1930s orangutans were reported but where no further surveys were conducted because of the area's isolation. One orangutan survey was conducted in an acacia plantation south of Kutai National Park (see box below), and because many orangutans were found several new surveys are planned for the coming month to delineate this population. It is unclear what extent the results from this area can be extrapolated but the findings potentially mean that between 2,000 and 10,000 orangutans survive in this area where previously few were thought to occur. Because these orangutans occur in areas that have been heavily degraded and have partly been developed for plantations and mining, engagement of the private sector in management of these populations is essential.

Sinar Mas is one of the organizations that are interested in funding OCSP work in this region and help work towards sustainable management of the orangutan populations in these disturbed areas. These developments link in with TNC's attempt to revive the Friend of Kutai National Park forum. This forum was established in the early 1990s to provide a private sector platform for improving the management of Kutai National Park. Since the early days the forum has lost much momentum, and with ongoing threats and a lack of interest for park management at the district as well as national level governments, the conservation values of Kutai NP continue to decline.

Renewed attention of the private sector for improving the environmental management of the areas in and around Kutai NP is becoming evident with several businesses as well as the Balai Taman Nasional asking OCSP for assistance. At the moment the assistance is purely technical and primarily consists of orangutan survey work in the national park and surrounding plantation areas, but in the longer term the plan is to make the Friends of Kutai business forum a functional group again. There is potential funding for doing preliminary feasibility studies on this from AusAID. These activities will be further development in the third quarter.

The Sungai Lesan protection forest area is threatened by the scheduled development of some 25,000-40,000 ha of oil palm around the area. If such large-scale development go ahead, the viability of the 12,000 ha Lesan protection forest and its orangutan population

becomes questionable. Also, the oil palm development will destroy large areas of orangutan habitat. Because the local government appears supportive of the planned developments we are now using a two-pronged approach: engaging communities to develop alternatives to large-scale oil palm development, and engaging the oil palm companies to develop reduced impact oil palm plantations, including the protection of buffer zones, high conservation value forest areas, and forests for use by local communities. The latter engagement is just starting and it remains to be seen how flexible the companies are in their approach.

The collaborative program for ecoregional planning in Borneo (TNC, WWF, Tropenbos) is nearing completion. The GIS data have been compiled and now conservation priorities are being developed using Marxan modeling. The final results will be presented in February 2008.

## A Surprising Orangutan Discovery in Kutai, East Kalimantan



OCSPP made a surprising discovery in an area not far from Kutai National Park. We were doing a survey in the large degraded forest area around the national park that was affected by fires in 1982 and 1997.

Despite what has been thought of this degraded landscape, there appear to be large numbers of orangutans in this area. Our survey earlier this week found very high orangutan densities (locally 5 times higher than those found in Sungai Lesan!) in an area that consists mostly of timber plantations and very degraded forests. This suggests that a population of several thousand orangutans survive in an area that was previously thought to contain only a handful.

We are now working with the national park authorities to strengthen park management. But this cannot happen in isolation of surrounding areas which consists mostly of timber plantations, coal mines, and oil palm.

Several timber plantations (especially those growing Acacia trees) have contacted us because the orangutans not only thrive in their plantations but they also cause considerable damage.

What we are looking for in this region is to develop a collaborative effort from various companies working in the area with a goal to get them to jointly implement an orangutan conservation strategy that links remaining forest patches to the national park. There will be a considerable need to look for technical solutions (how to keep orangutans out of Acacia; what to do with orangutans in a coal mine etc.), but there is considerable management capacity in the private sector. We are now looking for potential funding to start this collaborative management program. Businesses that want to get things right will have to play a major role.

This will not be a nice project with primary rainforest and beautiful scenery. But it could be a very strategic program (and the first of its kind) on getting the private sector to manage orangutans in disturbed landscapes. TNC are already working in this region and take part in the discussions regarding Kutai NP, so it follows logically from our present conservation efforts. Scaling it up will be the next step. Because the area has been largely deforested, there is some good carbon potential through reforestation and fire management. And of course, there is a large number of orangutans that somehow need to survive in the area.



#### *1.4. Implement orangutan habitat conservation program in Tanjung Puting National Park (Central Kalimantan)*

OCSF developed and facilitated the mechanism for a bridging grant to Orangutan Foundation International (OFI) and World Education (WE) to continue the patrolling work in Tanjung Puting NP. OFI and WE thus continue their work under the OCSF grant to protect orangutan habitats in and around Tanjung Puting National Park.

OFI and WE attended a meeting with the Kotawaringin Barat district development planning agency (Bappeda) to discuss the master plan for replanting of forest and other lands drawn up by the district forestry service. Also attending the meeting were several related government agencies, NGOs and village heads. One of the plans in the Kotawaringin Barat district masterplan for 2008-2013 is to replant forest and fields in Tanjung Puting NP: 781 ha in 2008 and 62 ha in 2009.

Mr. Maktaruddin, member of parliamentary commission IV (one of the commissions responsible for handling forestry affairs), visited the OFI office in Pangkalan Bun. The visit was to discuss the issue of the border demarcation of the national park, which has yet to be resolved, and to discuss provincial government policy incorporated in the provincial spatial plan for Kalimantan Tengah. OFI also informed Mr. Maktaruddin of some of the accomplishments of the activities undertaken during the previous activity phase, and of some of the challenges that lie ahead. Foremost of these is the planned change in function of the area around the national park to a production development area (*Kawasan Pengembangan Produksi – KPP*). It is hoped that this visit from the member of parliamentary commission IV will open up communication from grassroots to policy makers in central government, and in turn to more discussion in national legislative bodies about the problems facing the park.

Dr. Galdikas visited the Regional Representatives Council (DPD) representative for Central Kalimantan Province, Mr. Hamdani. Topics discussed at the meeting were the boundary demarcation of Tanjung Puting NP and provincial government policy



Discussions with local communities about the potential of the swamp areas east of Tanjung Puting for conservation and agricultural use.

incorporated in the provincial spatial plan for Kalimantan Tengah. She also visited with the Ministers of Forestry and Environment to discuss the boundary issues (See Appendix One and Two for full trip report).

A routine OFI patrol found that the oil palm plantation company clearing a new area for plantation development had gone over the boundary agreed by Area V forest mapping office (*Balai Pemantapan Kawasan Hutan - BPKH*). OFI invited the plantation company and the Tanjung Puting NP Office (BTNTP) to discuss this problem. From the meeting with the plantation's management, BTNTP and OFI produced a formal agreement signed by the plantation company and BTNTP stating, among others, that: the plantation company would close all access roads opened in the area violating the boundary set by BPKH, the plantation company would construct a ring road along the boundary set by BPKH, the plantation company would make signs indicating the boundary of the plantation and the boundary of Tanjung Puting NP, the plantation company would replant the access roads they had cleared with plants other than oil palms, and that this replanting would take place immediately prior to the onset of the rainy season.

On August 20, 2007, in Jakarta, a meeting was held between Tanjung Puting NP management, PT KUCC (the oil palm plantation company) and the Area V forest mapping office to consolidate the agreements previously made in the field: 1. the plantation company would close all access roads opened in the area violating the boundary set by BPKH; 2. that the plantation company would construct a ring road along the boundary set by BPKH; 3. that the plantation company would make signs indicating the boundary of the plantation and the boundary of Tanjung Puting National Park; and 4. that the plantation company would replant the access roads they had cleared with plants other than oil palms, and that this replanting would take place immediately prior to the onset of the rainy season.

OFI carried out a potentials survey in collaboration with the Bogor Institute of Agriculture (Institut Pertanian Bogor – IPB). This activity took place over a period of two weeks (18 – 30 August 2007). The aim of this survey was to identify potentials of stands of wood within and/or outside the boundaries of the national park. The area surveyed is one of the areas targeted for a change in function to a production development area in the eastern sector as per provincial government policy incorporated in the provincial spatial plan. Conducting this survey in collaboration with an education institute is expected to provide accurate information that can be used as a reference by policy makers at the national and provincial levels to reassess the plans to change the function of this area.

The RFA for the Tanjung Puting program has been developed and presented to the NGO community. We will try to get the proposal for Tanjung Puting developed as quickly as possible so that the conservation work can continue uninterrupted.

*1.5. Implement orangutan habitat conservation program in a large, multifunctional forest area (Kalimantan)*

The RFA for sustainable management of orangutan habitats in a large (>500,000 ha) multi-functional landscape has been developed, disseminated and presented to the NGO community. We are now awaiting proposals.

**Component 2. Improved enforcement of laws and regulations that combat habitat destruction and other threats to wild orangutan populations**

**Overall Indicator:** Number of hunting and logging violations in and around priority conservation sites that are prosecuted under Indonesian law; Number of relevant policies that are strengthened

Activity Indicators:

- Number of relevant laws that are reviewed, redrafted and presented to government
- Number of local jurisdictions trained in law enforcement
- Number of rural communities that are practicing community policing of orangutan habitat through agreements with local authorities
- Information obtained used in advocacy campaign on the destruction of orangutan by oil palm

*2.1. Reinforce national policies that support the conservation of wild orangutan populations and their habitats*

OCSP technical staff are working with the Ministry of Forestry's Directory of Forest Protection and Nature Conservation (PHKA) to support the design and development of an orangutan conservation plan that is consistent with OCSP project goals. To this end OCSP has garnered the support of PHKA in pulling together and incorporating information into their Indonesia Orangutan Strategy and Action Plan.

As part of the Orangutan Strategy and Action Plan process, the OCSP team collected and reviewed regulations related to orangutan conservation. In the course of this review, OCSP found that while the IUCN red list both orangutan species (*Pongo pygmaeus* in Borneo and *P. abelli* in Sumatra) were noted in the Indonesian regulations the list of endangered species (appendix of PP No. 7, 1999) only noted one orangutan species which is found in Kalimantan. OCSP is now supporting the ministry of forestry to issue a decree that would add the orangutan species found in Sumatra to the endangered list. This information had been included as an action item in draft action plan

*2.2. Facilitate technical support for implementation of national laws and district ordinances that combat habitat and species destruction*

In July, a meeting was held between the CoP and Cynthia Mackie of US Forest Service (USFS) International Programs to discuss strategic areas for partnerships. The CoP provided strategic input into USFS' plans to work with the Ministry of Partnership. Once this is initiated it is hope that closer coordination between OCSP and USFS can be undertaken. A second meeting will be held between USFS and OCSP in the third quarter when Ms. Mackie will again be in Indonesia.

In August a meeting was held with Gerald Heuett and Robert Barlow of U.S. Department of Justice ICITAP to discuss areas of programmatic overlap. ICITAP requested a list of areas that would be enforcement hot spots in support of orangutan conservation. This list was developed and provided to ICITAP. It is attached below.

## Enforcement Hotspots

No	Timber Outlet	District	Province	Priority for Action	Remark
1*	Guntung Sungai Gaung	Indragiri Hilir	Riau	low	From here Illegal timber is shipped to Malaysia covered by agriculture commodities (le.g. coconut & rubber)
2*	Kuala Kampar	Pelalawan	Riau	low	According to informant, this timber came from Kerumutan Nature Reserve.
3	Telok Melano Matan	Ketapang	West Kalimantan	high	A moderate amount of illegal timber from eastern Gunung Palung NP and considerable illegal logs from Gunung Tarak Nature reserve in part transported out of Park in Matan and Melano Rivers; other by land to Ketapang and Pontianak. This timber headed to Malaysia (Sarawak) via Pontianak and arrived in Sematan sea-port in Sarawak. Some sent to Peninsular Malaysia, Singapore and Java. A little is processed in Ketapang before it is traded locally and or transported out from Ketapang.
4	Pawan & Siduk River	Ketapang	West Kalimantan	high	From some production forest areas in Nanga Tayap and Sandai Sub Districts, illegal timber transported by Pawan River and also by land. Timber transported by Pawan River sent to Ketapang. That transported by land sent to Ketapang, Pontianak and or directly to Java- as well as abroad to Malaysia and Singapore.
5	Kendawangan & Manismata Port	Ketapang	West Kalimantan	low	Some Production Forest areas in Manismata and kendawangan sub-Districts Illegal timber went out from two ports, are Manismata and Kendawangan River-Ports. These timbers were directly transported out to several destinations such as Java, Peninsular Malaysia and Singapore. And for Sarawak destination, timber were commonly stopby in Pontianak and Sambas before they finally arrived in Sematan (Sarawak)
6	Paloh	Sambas	West Kalimantan	mod	Where illegal timber from several outlet at Kalimantan transits depends on police and custom patrols. Timber shipped to Sematan (Sarawak) is by sea. Some other shipped to Peninsular Malaysia and Singapore by sea. Illegal timber departs from Ceremai Seaport and Sintete River port. Both ports are located in Sambas administratively.
7	Pegatan	Katingan	Central Kalimantan	mod	Illegal timber shipped to Java, Sumatera and Sarawak Via Pontianak-Paloh to Sematan Port, Sarawak
8	Pangkalan Bun	Kotawaringin Barat	Central Kalimantan	high	From Lamandau Protected Area and Seruyan, illegal timber transported to Pangkalan Bun. These timbers were directly transported out to several destinations such as Java, Peninsular Malaysia and Singapore. Timber headed for Sarawak commonly transits in Pontianak and Sambas. before arriving in Sematan, Sarawak.
9	Barito	Muara barito	Central Kalimantan/S	low	Illegal logging activity in catchment area regularly involve several stakeholders, including government officials through IPK release (logging permit) and driven by need for funds to support local government election
10	Kuala Pembuang	Lamandau, Sukam	Central Kalimantan	mod	Modus: IPK release (logging permit at new plantation area) or illegal logging by misuse of IPK permit.
11	Kuala Jelai		Central Kalimantan	low	Modus: IPK release (logging permit at new plantation area) or illegal logging by misuse of IPK permits.
	Bahaur	Kapuas	East Kalimantan	mod	From Gunung Mas area, Illegal timber transported downstream by raft and klotok/small ship to Tugboat or larger Ship. This timber headed to Malaysia (Sarawak) via Pontianak and arrives in Sematan sea-port in Sarawak. Some headed to Peninsular Malaysia, Singapore and Java.
	Kahayan		Pulang Pisau	low	Illegal timber came from Gunung Mas Area
	Katingan	Mendawai	Central Kalimantan	low	Illegal logging activity at catchment area regularly involve several stakeholders, including government official through IPK release (logging permit) and driven by local government election financial requirements. This timber is transported by raft and Klotok/small ship to larger ship stationed off shore.
12	Berau River, Tanjung Redeb	Berau/East Kutai	East Kalimantan	mod	Logging companies pretending to be stagnant while in fact they extract timber Land-clearing (IPK) permits issued for dubious plantation schemes Heavy occurrence of unlicensed small-scale logging
13	Nunukan	Nunukan	East Kalimantan	?	Insufficient information

\*indicates non-orangutan habitat sites

*2.3. Support strengthening of techniques in local level enforcement to combat encroachment and hunting*

OCSP Sumatra has established an Enforcement Working Group through extensive discussions with local and international NGOs and local government officers, including those in Gunung Leuser National Park. OCSP Sumatra has established an Enforcement Working Group through extensive discussions with local and international NGOs and local government officers, including those in Gunung Leuser National Park. A training course has been structured for an initial group of 10 field investigators and seven data analyses officers. The training courses will begin in November for field investigators and January 2008 for the data analyses officers.

The RFA for Enforcement of Laws and Regulations that Prohibit Habitat Destruction and other Threats to Wild Orangutan Populations has been developed, disseminated and presented to the NGO community. We are now awaiting proposals

*2.4. Develop and implement research project that clearly demonstrates the impact that forest clearing and oil palm development has on orangutan populations*

The recent surveys by OCSP in Acacia plantations in East Kalimantan revealed surprisingly high densities of orangutans in areas that had been deforested almost 2 decades ago and heavily burnt and illegally logged subsequently. This is making us keenly aware of the importance of research on the conditions under which orangutans survive and the development of appropriate management in non-forest areas that ensures that the impact on local orangutan populations is minimized. This includes improved understanding of use of forest corridors by orangutans, key food sources in non-forest areas, crop conflict issues (damage to Acacia and oil palm), and development of land use plans based on needs of orangutans. There have been several discussions with Rachel Carmenta (CIFOR) to develop the appropriate methodology for this research. To further assess opportunities to conduct such research in an oil palm environment and implement the recommended management changes, OCSP's Kalimantan Coordinator will attend the International Conference on Oil Palm and Environment (ICOPE) in Bali in November 2007. The objectives of this conference are to highlight environmental issues and to share experience on possible solutions and resources for the benefit of the environment and also the industry itself in term of efficiency, cost, etc. This is relevant to OCSP's analysis of the economics of oil palm vs. payments for carbon in an orangutan conservation framework.

**Component 3. Partnerships that improve coordination and liaison among stakeholders engaged in conservation of wild orangutan populations**

**Overall Indicator:** Improved coordination and collaboration between existing and new partners

Activity Indicators:

- National Orangutan Stakeholder Forum created and operational

- Regional, local and community working groups operational and meeting regularly to discuss implementation activities
- Private sector partnerships established with an MOU or equivalent agreement in place

*3.1. Facilitate improved cooperation and collaboration among local authorities, NGOs, and the private sector*

In its efforts to develop a national level Orangutan Conservation Forum, OCSP engaged a consultant, Larry Fisher to serve as Forum Development Advisor. In this short term position Mr. Fisher will undertake the following tasks in quarter three:

1. Conduct an analysis of relevant single or multi-species forums or networks that would provide insights and lessons for the development for the structure and function of the Orangutan Conservation Forum.
2. Conduct interviews and discussions with key leaders in the orangutan conservation effort in Indonesia to gain insight into their perspectives and determine their level of interest and commitment to the development of the Forum.
3. Prepare a report that assesses key lessons from existing conservation forums, summarizes the views of orangutan conservation leaders, and recommends a structure and function for the Indonesian Orangutan Forum.
4. Assist in organizing and facilitating a stakeholder meeting to present initial findings and discuss the recommendations in 3) above.
5. Based on written feedback from reviewers, and comments received during the stakeholder meeting, prepare a revised Final Report summarizing findings and recommendations for the structure and function of the Forum.

*3.2. Develop action plans on issues important to orangutan conservation nationally*

OCSP called together key actors from the national and international orangutan conservation NGO community for a meeting on the Orangutan Strategy and Action Plan. In this September meeting, participants decide to develop a “tim kecil” or small working group to provided input into national strategy and action plan for orangutan. OCSP in a facilitating role by distributing and incorporating materials from Sumatra and Kalimantan into the plan. It has also ensured that the Strategy and Action plan incorporates all the components of the OCSP including conservation management, policy,

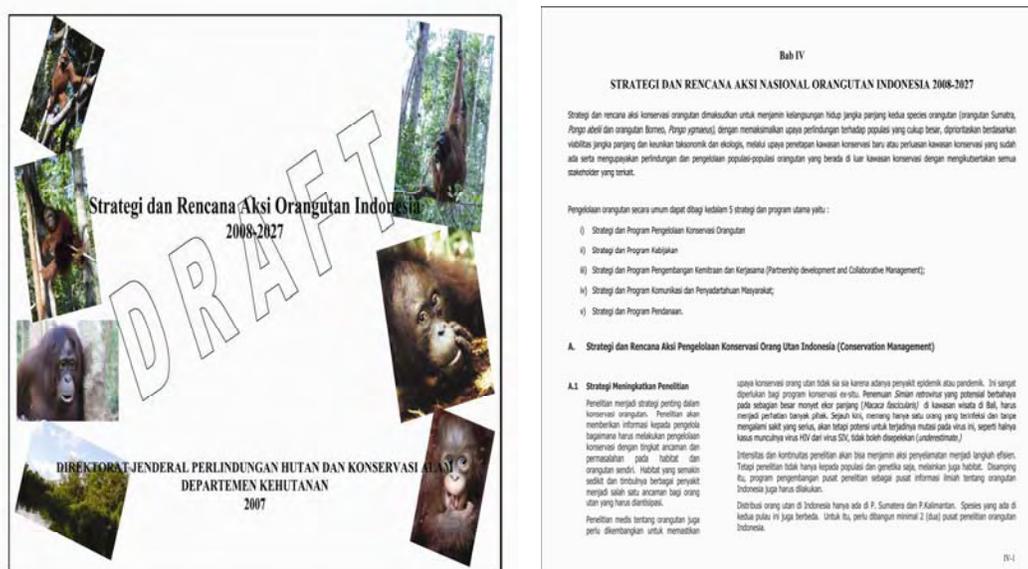


Participants from local and international NGOs take part in the action plan meeting

partnership, communication and outreach and sustainable financing

OCSP and Ministry of Forestry's Directorate General of Forest Protection and Natural Conservation have conducted several informal regular meetings to monitor and direct the working group. The draft action and strategy plan was completed and distributed to the working group for review the second week of October. The strategies included in the plan now mirror the five OCSP components. These broader enabling condition strategies weren't included in the original version of the plan, which focused solely on sites, but have since been incorporated with the structure agreed to by the Ministry of Forestry.

Next steps in the action planning process will include conducting a working group meeting and a general workshop on action plan in November. OCSP and the working group plan to finish the draft and gain approve by DG PHKA by the end of the third quarter. It is hoped that Minister of Forestry will announce his approval of the plan at the 13<sup>th</sup> Conference of the Parties to the UNFCCC (COP) meeting to be held on Bali in December.



### 3.2. Develop working groups at regional level to deal with a range of issues relevant to OCSP outcomes on orangutan conservation

See results listed under Component One.

### 3.3. Facilitate agreements with the private sector to implement conservation

**APRIL:** Partnership discussions with APRIL continued through both quarters. The discussions devolved around how to develop a partnership that would assist conservation of orangutan through both the provision by APRIL of funds and contributions in-kind. Additionally, discussions focused on improving the conservation

management practices of APRIL, particularly their development of best conservation land management practices, including conservation set-asides for orangutan and other biodiversity and support for landscape-scale conservation design and management. Cash contribution would be directed at supporting the National Orangutan Forum (including development of a sustainable financing mechanism for orangutan conservation) and; bolstering the OCSP grants program. Contributions in-kind include provision of technical assistance in areas where APRIL's activities overlap OSCP objectives. These include: training of OCSP programmatic staff as conservation village facilitators and mentors at the APRIL Training Center near Pekanbaru; assistance with website development and maintenance; spatial planning (including imagery development) and; assistance with development of communication skills and conservation campaigns.

A due diligence mission was undertaken by USAID, with involvement of the OCSP Sumatra Coordinator, to the APRIL plantation and mill in Pekanbaru, Sumatra, in July 18-20, 2007. Relevant APRIL staff were interviewed and a flight was conducted over their concessions; some ground surveys were also carried out. Some five local NGOs were also interviewed in Pekanbaru. The trip resulted in an agreement to go forward on discussions of an agreement between OCSP and APRIL. A draft MOU is being prepared; this has a number of conditionalities that would hold APRIL to best conservation practices.

Sinar Mas: OCSP is working on an agreement with Sinar Mas for funding orangutan surveys in and around Kutai National Park. OCSP would then use the survey findings to develop new management strategies to reconcile the objectives of the plantation companies with the OCSP orangutan conservation objectives.

BHP: We have had several discussions with BHP Billiton Indonesia about their conservation planning in Central Kalimantan related to the large planned coal mine developments. These discussions focus on the details of conservation planning and management in the contracts of works area in Central Kalimantan. At a higher level, TNC have engaged in discussions with BHP in Australia about their role in matching the Australian government's funds to support peat swamp conservation in Central Kalimantan. All these discussions are ongoing. Further details will be discussed during a workshop in Jakarta from 5th to 7th November organized by BHP Billiton. Ed Norton and Erik Meijaard will likely attend. The workshop aims to explore the implications for sustainable development of Kalimantan, including the potential role of coal in the region. This workshop forms part of an overall process by which BHP Billiton is seeking effective external stakeholder input into the consideration of its future approach to its Indonesian coal assets.

## **Component 4. Improved outreach and communication that builds commitment and support for orangutan conservation**

**Overall Indicator:** Percent of Indonesian stakeholders demonstrating support for orangutan conservation efforts and implementation of threat reduction measures

Activity Indicators:

- >50% increase in air time and articles devoted to orangutan conservation in media
- 90 percent of conservation organizations and relevant government offices in Kalimantan and Sumatra aware of OCSP
- Number of “hits” and “visits” on OCSP web-site and affiliate sites increases each month
- >25% increase in awareness of campaign issues among target audiences
- Number of participants in exchange programs

### *4.1. Build local, national & international media support for orangutan conservation across the program*

OCSP’s Chief of Party and Sumatra Coordinator were interviewed by the Australian Associated Press in August for a story on the state of the Sumatran Orangutan. The story is still being composed and will be released in the third quarter

In September, the OCSP Kalimantan coordinator accompanied Mel White, a reporter for National Geographic, to OCSP sites in East Kalimantan. National Geographic is preparing a story on Borneo and visited the Lesan and Wehea sites for background. National Geographic will return to Indonesia in February when they will bring a photographer and begin a series of interviews. An interview with the USAID Mission Director has been discussed with Mel White and will likely take place when he returns.

### *4.2. Develop Program Identity and communications strategy and materials across the program*

A summary of progress on developing a program identity and communications strategy includes:

- Communications goals, target audience, and core messages have been defined and agreed upon internally. This will be used as a guideline for grantees to develop media campaigns.
- A Communication Working Group has been established in Sumatra. It is currently working towards a specific Sumatra orangutan conservation strategy that incorporates advocacy, educational outreach and programmatic sustainability.
- The OCSP logo has been designed and approved by USAID.

- The Branding and Style guide were been developed and approved by USAID.
- OCSP general fact sheet has been developed and approved by USAID.
- Thematic fact sheets on issues such as carbon, orangutan threats, oil palm, orangutan rehabilitation are currently being developed.
- The translation of fact sheets into Indonesian will be completed in quarter three.

### Communication Strategy

Given the importance of communications to programmatic goals, pro-bono assistance in development of communications strategy was sought from Edelman a professional PR and marketing firm. Meetings were held with Edelman representatives in Singapore and New York. Unfortunately, Edelman has determined to focus all of its pro-bono assistance on children's education for the coming year.

### Preparation for COP 13

Discussion with individual Edelman staff are still on-going but OCSP has determined that, given the need for professional help in this area, it will use highly skilled consultant to assist in devising specific messages and strategy for the 13<sup>th</sup> Conference of the Parties to the UNFCCC (COP) meeting to be held in Bali in early December as well as for the Aquarium and Zoos Association campaign (see component five for details).

As referenced above, OCSP has been making arrangements in preparation for the COP 13 meeting to be held in Bali in December 2007. OCSP will share an information booth in the main hall with Orangutan Foundation UK and Yayasan. Further plans involving the Minister of Forestry's announcement of the Orangutan Action Plan and Strategy are contingent on the Ministry. The communications consultants will also develop further plans to provide visibility for the OCSP.

### OCSP Launch

In addition to numerous meetings with relevant stakeholder from NGOs, government and the business community, several formal events took place in Jakarta, Kalimantan and Sumatra to launch the program.

#### *JAKARTA*

- April 11 launched with NGOs through a presentation by the COP to leading orangutan conservation organizations at OCSP's offices at a threats analysis meeting.

- May 3 launched with bilateral and multi-lateral donor community through a presentation by the COP and CTO at the ENR Coordination Meeting.
- July 3 launched with the Ministry of Forestry through an introduction of the program by US Embassy Indonesia Charge d’Affairs to the Minister of Forestry and presentation by the COP at Manggala Wanabakti.
- July 19 launched with Menkokesra through a presentation by the COP at the annual BHS –Menkokesra Coordination Meeting.
- September 6 launched with the business community through presentation arranged by Van Zorge, Heffernan and Associates to The Executive Network by the OCSP Senior Advisor.

## KALIMANTAN



From left to right: Libby Heffern, Charge d’Affairs John Heffern, USAID Mission Director Bill Frej, USAID Basic Human Services Office Director Jeff Ashley, and USAID Environment and Water Specialist Suzanne Billharz greeted by government officials and traditional dancers upon arrival to Pangkalan Bun, Central Kalimantan.

- On May 23, 2007, US Embassy Indonesia Charge d’Affairs, John Heffern, the USAID Indonesia Mission Director, William Frej, and 16 other guests arrived in Pangkalan Bun, Central Kalimantan in order to visit Tanjung Puting National Park and monitor the impact that US government funding has had on protecting orangutan and their habitat. The trip was also set to coincide with the initiation of the OCSP and the program was introduced

with to the Bupati of Kotawaringin Barat, Drs. H. Sukirman, and the Governor of Central Kalimantan, Teras Narang.

## SUMATRA

- OCSP Northern Sumatra program was launched on September 3, 2007 through an introduction arranged by the Consulate General with the North Sumatra Government including the Governor, Drs Rudolf M Pardede, and the provincial directors of Bappeda, Bapedalda and Education.

The North Sumatra Governor expressed his support for the goals of OCSP in North Sumatra. He stated his interest in developing and orangutan sensitive spatial planning particularly in Langkat area. Both the USG and GOI agreed to formalize the commitment on orangutan conservation program into MoU. In quarter three, the US Ambassador will be invited to North Sumatra to sign a MoU on spatial planning.

Meetings with North Sumatra and Aceh based NGOs were held separately. OCSP presented the program with a focus on North Sumatra. The event was covered by one local newspaper (ANALISA) and one in national newspaper (KOMPAS). The copies are attached.

### *4.3. Development and management of program website*

The OCSP website will be developed after the OCSP communications strategy is completed and the forum website after it is established.

### *4.4. National campaigns to support conservation of orangutan*

The RFA for campaign and media outreach was developed and disseminated. The National campaign strategy will be developed and implemented in large part through this grant mechanism

### *4.5. Implement exchanges and program visits to conservation sites for regional, national and international stakeholders*

On 26 July, a field trip was undertaken by the Assistant Secretary of State for Oceans, Environment and Science, Claudia McMurray and representative from USAID Jakarta and Washington and the US Embassy Indonesia staff to the Wehea orangutan sight in East Kalimantan. The group was able to see the harmful impacts of oil palm and other extractive industries as well as opportunities that still exist to protect forest. Positive response was gained from the Assistant Secretary (see text box below).

### Assistant Secretary of State Visits OCSP Kalimantan Orangutan Site



Claudia McMurray, the Assistant Secretary of State for Oceans, Environment and Science and a delegation from USAID and the US Embassy in Jakarta visited the Wehea orangutan site in East Kalimantan from July 26th through the 29th. East Kalimantan, with its myriad extractive industries such as logging, palm oil and paper plantation development, mining and oil extraction is an excellent location to demonstrate the scale of the challenge that Indonesia's forests face. Wehea, which was once highly threatened but now protected and harboring a large orangutan population, was deemed a good place to display as an example of the feasibility of conservation success in Indonesia. Such an example is important given the current discussions about carbon financing for avoided deforestation and the proposal for Debt-for-Nature swaps in Indonesia through the Tropical Forest Conservation Act (TFCA).

Wehea is a 38,000 hectare former timber concession that has been converted into an orangutan reserve. The area receives support from the district and provincial government not only through its local protected status, but also in the form of an annual financial contribution of approximately \$125,000 for conservation. The value placed on the area by the indigenous Dayak communities is also quite unique. To the local Dayak communities surrounding Wehea, whose culture is intertwined with the forest, this area represents one of the last strongholds for their way of life.

After introductions and some prepared notes in the Balikpapan airport the delegation took off on a fly over of East Kalimantan. The karst area, with its jutting limestone cliffs, was spectacular. The group were then left in awe of the scale of oil palm development. Conversion of forest for development of oil palm development is a main cause of deforestation in Indonesia and one of the biggest threats posed to orangutan habitat.

After landing and a short drive we arrived at Wehea the group's first stop was the entry posts where a welcome ceremony awaited. As is tradition, an elder from the community performed a blessing in which he asked the spirits in the forest to look after us and informed us that we too needed to respect the forest.

In the evening representatives from the local government and the management body discussed the history and value of Wehea. The efforts to conserve the area began at the grass roots by the Dayaks. Most of the traditional land of these indigenous people had been destroyed and degraded and this area was one of the last bits of forest to which they could lay claim. The local communities patrol the area and report any illegal activity to the police who are formally charged with enforcing the area. Through community patrolling the area has been free of illegal logging since 2004.



Day two saw morning briefings on the plight of orangutan, illegal logging in Indonesia and TNC's efforts in East Kalimantan. A long session of brainstorming ensued on the role of mechanisms like carbon and debt for nature swaps; the need to engage both the government and private sector in the US on oil palm and timber issues; and the necessity to coordinate illegal logging abatement efforts in a consolidated way with both the Indonesian and Chinese governments at the table.

Day three saw a trip to a Miu village which still maintains a traditional long-house. A final debrief was given at the airport where the importance of Indonesia's forests for their values, including biodiversity – for such unique and endangered species as the orangutan – carbon, and the social and economic importance that they represent to Indonesia and its people again stressed. As had been the theme since day one, the trip ended with the message of hope as to what Wehea represents. Hope that despite the challenges, Indonesia's forests can be saved, their values protected, and their contribution to Indonesia and the world's natural heritage maintained.

## Component 5. Sustainable Financing

**Overall Indicator:** Sustainable financing mechanism for orangutan conservation determined and funds raised efforts and implementation of threat reduction measures

Activity Indicators:

- Development of financing mechanism for National forum that will create sustainability and serve as a clearing house for donor funds

### *5.1. Establish a framework for collaboration on sustainable financing for orangutan*

Progress was made in support of this activity as follows:

Establish home for funds that provides tax deductible donation option for public and private donors

- Mechanism to receive funds under a non-profit status identified and arranged. An Orangutan Conservation Fund established at Arabella Philanthropic Advisors in the United States to receive tax deductible contributions from U.S. donors.

Cultivating and secure private sector, multilateral and bilateral, foundation and others funding

- List completed of potential and priority donors from private and public sector, including multilateral and bilateral donors.
- Report by Senior Advisor on OCSP made in person to senior staff of Senate Appropriations Committee, Subcommittee on Government Operations U.S. Congress.
- \$10,000 planning grant solicited and received from Joel and Arline Epstein for preparation of an Orangutan Conservation public education and media campaign.
- Letter of Inquiry submitted to Arcus Foundation Great Ape Fund.
- Meeting with Annette Lanjou, Executive Director of Arcus Foundation Great Apes Fund. Site visit scheduled and full proposal docketed for 2008.
- Letter of Inquiry submitted to Annenberg Foundation for support of public education and media campaign.
- Presentation to Jakarta Executive Network and representatives of Indonesian and international corporations.

Explore alternative mechanisms for financing including carbon and Debt-for-Nature swaps

- World Bank and other bilateral donor agencies engaged and assisted in identifying orangutan habitat sites suitable for alternative financing schemes. Indonesian REDD Program and Indonesian Carbon Alliance (Ministry of Forestry) engaged and progress on preparation of REDD reports for COP13 in Bali tracked.
- Proposal made to the Office of the President of Indonesia to announce Indonesia Orangutan Conservation Action Plan at COP13 with major donor support and possible capitalization of an Orangutan Conservation Trust Fund.

## APPENDIX

### Appendix One: Report on OFI Meeting with Minister of Forestry, M.S. Kaban

Jakarta, August 27, 2007

Dr. Birute Mary Galdikas



Minister of Forestry M.S. Kaban – holding *Reflections of Eden* – and Birute Mary Galdikas in his office, August 27, 2007 Jakarta, Indonesia

**Prelude to Meeting:** During June 2007 I had an appointment to meet with the Minister of Forestry at his office in Jakarta but the meeting was abruptly cancelled when the Minister had to suddenly leave for Bali on some critical matter. This meeting had taken almost a year or so to arrange since the Minister had a heavy travel schedule and was not always available in Jakarta.

On August 23, 2007 after composing and sending a detailed letter to the Head of Protocol at the Forestry Ministry concerning my still pressing desire for a meeting with the Forestry Minister to discuss various topics relating to orangutans, palm oil plantations, and Tanjung Puting National Park, I went to the Ministry Building in Jakarta to ask for another appointment with the Minister. The Head of Protocol remembered my cancelled meeting and suggested that it might be possible to see the Minister the next day on August 24, 2007 at one o'clock in the afternoon. However, since the Minister was having a medical check-up that morning, there was a chance that the meeting could be delayed. Also, the Minister would have to attend mosque as it would be a Friday. I was told to come on the 24th early for the meeting and wait.

On August 24th, 2007 I came early to the Forestry Ministry and waited. However, after some time I was told that the Forestry Minister was running late and so our meeting would have to be postponed. I was told that my appointment would be for 2 pm on Monday afternoon, August 27<sup>th</sup>.

Ms. Renie Djojoasmoro, manager of OFI's Jakarta office, and I arrived at the Ministry shortly after one o'clock on Monday, August 27th. We waited until three o'clock for the meeting (which had been scheduled for two pm). We were told the Minister was having a meeting with his staff prior to our meeting with him.

In anticipation of this meeting, I had prepared maps and discussed various "talking points" with colleagues.

**Meeting:** The Indonesian language was used for the entirety of the meeting. No English was spoken.

The Minister did not initially smile nor did he seem particularly friendly. After I introduced Ibu Renie and mentioned that she had studied wild orangutans both in Kalimantan and Sumatra, he immediately started chitchatting with her. When he addressed me, he seemed to be under the impression that I somehow represented some aspect of the U.S. (perhaps because OFI is based in the USA) even though he seemed to be aware of my identity as a long-term conservationist and researcher in KalTeng. There seemed to be some underlying ambivalence in his attitude towards the United States as he mentioned something about the United States needing to increase the size of its national parks. This part of the meeting was somewhat of a puzzle to me.

About ten minutes into the meeting, Pak Armand Malolongan (Director General of Perlindungan Hutan and Konservasi Alam or P.H.K.A. as it is generally known) and Dr. Tonny Seohartono who is the Director of Konservasi Keanekaragaman Hayati) came in. I immediately brought the conversation to the points mentioned in my initial letter while asking for a meeting: the question of Park boundaries for Tanjung Puting National Park, the proposed reduction of the Park's size, the incursion of palm oil plantations into the Park, and the general problem of palm oil plantations destroying orangutan and other wildlife habitat when such plantations were established by conversion of tropical rain forests to agricultural land, especially by fire.

Emphasizing the importance of the matter, I asked the Minister not to sign the current Land Use Plan (Rencana Tata Ruang Wilayah Propinsi (RTRWP) for Kalimantan Tengah which proposes four million hectares of forest to be converted to palm oil plantation. The RTRWP is of the utmost importance because it sets the parameters for what the government will accomplish in terms of land use for the next five years. A conflict exists between the provincial government and the national government in terms of forest use so Kalimantan Tengah is one of the few provinces in Indonesia where there has not been agreement on the RTRWP. The provincial government wants more palm oil plantations and less conservation areas than what the national government has decreed.

I presented the Minister with a map of the province with the four million hectares to be converted to palm oil colored blood red and thanked him for not signing (so far) the current proposed RTRWP. I had been told that he was actually on the verge of signing it after strong pressure from the provincial government and palm oil plantation corporations. He studied the map I had presented and at this point we got into an interesting discussion of economics. The Minister felt very strongly that people in the province of KalTeng need income and jobs and that these would be best provided by the expansion of plant oil plantations and concessions. Some energetic discussion of the economics of oil palm concessions ensued.

At one point I indicated that most Dayaks and Dayak communities were opposed to the tearing down and burning of forests to convert them to palm oil. The Minister replied that the Governor of KalTeng was a Dayak and he didn't oppose palm oil concessions to which I remarked that he was a Dayak but not from a Dayak village. For some reason, the Minister roared with laughter at my remark as did the other two officials in the room. As he laughed, the Minister practically slapped his knee and even repeated my comment about the Governor not being from a village.

The Minister also challenged me about the provision of alternative employment for the people of Kal Teng if palm oil concessions were not allowed. I very clearly replied that a balance was needed between palm oil and nature, that palm oil concessions on cleared land or abandoned alang-alang grasslands were not an issue but that burning large expanses of forest and not providing conservation areas large enough to support wildlife populations was. I remarked that orangutan conservation provided employment for 250 local people in the programs run by OFI alone.

I also suggested that tourism was of growing importance in KalTeng and that the destruction of forests and the decimation of wild orangutan and other wildlife populations was detrimental to tourism. Tourism is one of the largest economic activities in the world and more attention should be paid to it as Kalimantan develops. The Minister disputed that tourism could ever provide as much income as palm oil plantations. I suggested that while the price of palm oil is now going up, it could eventually come down, leaving ruined soil as well as exhausted and destroyed ecologies in its wake. Tourism could be a strong additional source of employment for local

people that would only grow in importance as more nations of the world advance economically. I cited the example of a large group of tourists on package tours visiting Tanjung Puting National Park for the first time, respectively from Lithuania and also from other Eastern European countries in 2007, phenomena we had never seen before, facilitated by these countries recently joining the EU. Kalimantan with its beautiful vistas, unique ecologies, and wild orangutan populations could be developed as a major tourist destination. The bleak vistas of palm oil plantations were not going to attract mass tourism of any sort.

Sometime during this discussion, the Minister brought up the fact that there were foreign countries (unmentioned by name) that accused Indonesia of destroying its forests. These countries were emitting massive amounts of carbon into the world's atmosphere and contributing to climate change as well as helping destroy not only their own forests but Indonesia's forests as well. I replied that an article I had written for the *New York Times'* OpEd page in January 2007, stated that the world and the international community bears part of the responsibility of what happens to the great forests of Borneo and wild orangutan populations.

Mentioning the African Nobel prize winner who was responsible for the Green Belt Movement in Kenya, I said that future generations would build statues to the people who saved forests, not to the people who facilitated the destruction of the forest by granting palm oil concessions. There was a brief silence after this comment.

Finally, I presented the Minister with a copy of my letter requesting that the three palm oil concessions between the Park boundary on the east and the Seruyan River signed into being by the Regent (Bupati) of the Seruyan Regency be cancelled. Instead the area should be turned into a conservation forest or added to Tanjung Puting National Park. In other words the area's status should be changed from limited production forest to conservation forest. I thanked the Minister for not agreeing to sign for these concessions and mentioned that the only thing standing between the concessions being realized and their not being legalized was his signature. Likewise, it was very easy for the Minister to change the status of limited production forest to conservation forest even if adding this area to the Park was more difficult.

The Minister didn't really address this question. When I handed him maps showing this area and the Park, he glanced at them for a few seconds and then quickly handed them over to the Director General P.H.K.A., Pak Armand. However, Pak Armand and Dr. Tonny, after looking at the maps, both agreed that, in theory, this was a worthy suggestion and that we all needed to work on it. Pak Armand mentioned that he was retiring soon and this was something that I should discuss with his successor.

I also briefly mentioned Sebangau National Park as another area in KalTeng with a large population of orangutans where much illegal habitat destruction was occurring.

During the meeting I had presented the Minister with copies of two of my books, *Reflections of Eden* and the large coffee table book *Great Ape Odyssey*. At the end of the

meeting the Minister took *Great Ape Odyssey* in his hands, skimmed through its pages, and said that he was going to “study” the volume as he was responsible for the apes of Indonesia and needed to learn about them!

By the end of the meeting which lasted over an hour, the atmosphere in the room was cordial and friendly. Even the Minister was beaming. In particular, the Director General of P.H.K.A. and the Director of K.K.H. had been very positive throughout the meeting and supported much of what I was saying.

**Outcome:** The Minister agreed that he would not reduce the size of Tanjung Puting National Park nor move its boundaries. He also said that he would consider the various conservation issues I had raised concerning palm oil and would continue to work to protect forests as much as possible given the economic issues and the need to alleviate poverty in Indonesia. He recognized the importance of orangutan populations to Indonesia’s biodiversity. He was also going to “study” one of the books presented to him, “*Great Ape Odyssey*,” to learn more about great apes.

The two other officials enthusiastically supported the need to change the limited production forest status of the eastern area adjacent to Tanjung Puting National Park in the Seruyan Regency so that this forest could be conserved for the future and not destroyed. They said that they would be willing to discuss this further in terms of the concrete steps that needed to be taken to achieve this outcome.

## Appendix Two: Report on OFI Meeting with Minister of the Environment, Ir. Rachmat Witoelar

Jakarta, August 29, 2007

Dr. Birute Mary Galdikas



Meeting at Minister Rachmat Witoelar's Residence, Jakarta, August 29<sup>th</sup>, 2007.

*From left to right: Ms. Aretha Aprilla, Ministerial staff member Mangisara Lubis, Ms. Renie Djojoasmoro, Dr. Birute Mary Galdikas, Minister of Environment Ir. Rachmat Witoelar holding copy of Great Ape Odyssey, Prof. Eko Budiharjo, Ministerial Staff Member Agus Tagor, and Advisor to Minister Ismid Hadad*

**Prelude to Meeting:** The Kalpataru is the highest environmental award given by the Republic of Indonesia and is annually presented by the President of Indonesia. During May 2007 at a rare meeting of Kalpataru Award winners it was decided to establish an organization called FOKKAL (Forum Keluarga Kalpataru Lestari) which would consist of all award winners and their heirs. The purpose of this organization is to promote awareness of the environment. The united voice of esteemed environmentalists would help build public awareness of environmental problems in Indonesia and perhaps even

help provide the government and public with some guidance on environmental issues. To my surprise, I was elected, by popular acclaim, one of the directors of this organization. (I had won the Kalpataru Award for environmental leadership in 1997, the first foreign-born person to ever do so). Prof. Eko Budiharjo was elected Chairperson. At a subsequent meeting of the organization on August 1, 2007, the directors decided to secure a meeting with the Minister of the Environment, first to let him know about the organization and to ask his support and patronage and second, to discuss the crisis concerning orangutan populations and palm oil.

On August 28<sup>th</sup>, we were informed that we could meet with the Minister at his office the next day, August 29<sup>th</sup>, at one o'clock. Later that night on the 28<sup>th</sup> we received a message that the meeting was re-scheduled to five pm at the Minister's private residence. Before the meeting Prof. Eko and I met for several hours to discuss how we would present the palm oil and Tanjung Puting issues. Prof. Eko encouraged me to be as candid as possible despite the fact that we were discussing issues that were primarily handled by the Forestry Ministry. I also prepared maps and brought copies of two of my books, *Reflections of Eden* and *Great Ape Odyssey*, as well as copies of OFI reports that might prove useful.

**Meeting:** I attended the meeting with Prof. Eko Budiharjo, Chairperson of FOKKAL, his daughter Mrs. Aretha Aprilla who works for the U.N. Environmental Agency in Bangkok, and Ms. Renie Djojoasmoro who holds a Masters degree in ecology and is Office Manager for OFI in Jakarta. With the exception of an occasional phrase, sentence, or joke in English, the entire meeting was in the Indonesian language. The meeting was held in the spacious and comfortable living room of the Minister's home; despite the heat of the late afternoon, there was no air conditioning. We guests had all removed our shoes and the atmosphere was warm, informal (or as informal as it gets at an official meeting with a Minister), and pleasant.

The meeting opened with Prof. Eko explaining the establishment of FOKKAL as the organization representing Kalpataru Award winners and their heirs. He asked for the Minister's moral support which was kindly given.

After this, I spoke about the urgency concerning the proposed Land Use Plan (Rencana Tata Ruang Wilayah Propinsi or RTRWP) for the province of Kalimantan Tengah, particularly since this plan allocated four million hectares of forest to the planting of palm oil. Since Kal Teng already has about 600,000 ha under palm oil cultivation, this plan meant that another 3,600,000 ha of forest was scheduled to be destroyed within the next few years.

I also spoke of the fact that 3,000 ha of palm oil had already been planted inside the northeastern boundary of Tanjung Puting National Park. I gave the Minister a copy of OFI's field report which indicated that the proposed 15% reduction of Tanjung Puting National Park threatened the existence of almost one thousand wild orangutans. The proposed area to be sliced from the Park was already slated for conversion to palm oil.

Of course, I mentioned the Forestry Minister's verbal assurance, made two days previous, that the proposed reduction of the Park would not occur.

When we began discussing palm oil, Pak Mangisara Lubis, a Ministerial staff member, soon joined us. Pak Agus Tagor (staff member in charge of relations with other institutions and ministries) and Pak Ismid Hadad, Advisor to the Minister, later joined us as well. All were indignant, but not particularly incredulous, that such blatant disregard for forest protection and environmental law and regulations could be taking place in Kalimantan as we had described in the Park. In particular, they asked for detailed documentation of everything that had been discussed.

The Minister assured us that the allocation of four million hectares of forest to palm oil plantations would be a disaster for the province of Kalimantan Tengah and that he would do all in his power to prevent the proposed RTRWP from becoming a *fait accompli*.

The Minister said that the Governor of Kalimantan Tengah would never allow so much forest to be destroyed in his province. The Minister was adamant that the Governor was a friend of the environment. As the meeting progressed there was much discussion of the ecological evils of palm oil plantations and the massive burning of forests which cleared the land for the large-scale establishment of plantations. I was impressed by the sophistication of the Minister's knowledge and his vow that he would stop the worst of the carnage.

We also discussed my proposal made to the Forestry Minister to change the status of the eastern forest between the Park boundary and the Seruyan River from limited production forest to conservation forest. The Minister supported the plan without reservation. When I gave him maps, he scrutinized them carefully before handing them over to his staff members.

In addition, the Minister invited OFI and FOKKAL to attend the large international environmental conference to be held in Bali in December 2007.

**Outcome of Meeting:** The Minister's awareness of the issues facing wild orangutan populations increased. He vowed that he would help prevent the current proposed Land Use Plan in Kalimantan Tengah from taking effect and that he would fight against any diminishment of Tanjung Puting National Park in terms of size and boundaries. He pledged his strong support to FOKKAL, agreeing to be a patron of the organization and invited it and OFI to attend the December Bali conference. He also voiced his opposition to the wide scale expansion of palm oil plantations throughout Kalimantan. This was a good meeting. We hope to meet this Minister again to plan more concrete action to be taken against orangutan habitat destruction and those who perpetrate it.