



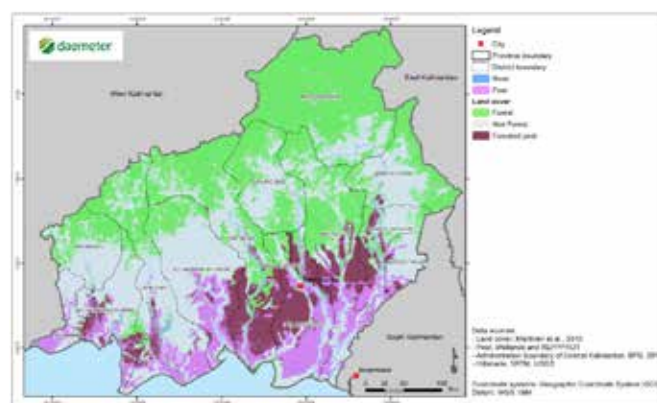
Factsheet prepared for CIFOR-TFD participants

4Fs Field Dialogue, 16th-19th March 2014

Central Kalimantan

Geography and land use

- Central Kalimantan, **Indonesia's third largest province**, is located just south of the equator.
- The Müller-Schwaner Mountains, from which 8 major rivers flow across Central Kalimantan from north to south, forms the border with West and East Kalimantan. The middle and lower parts of these river basins are undulating and flat terrain with vast areas of sandy soils and peat swamp forests. The province consists of three biophysical regions: southern coastal mangroves and inland swamps; central plains and hills, originally covered by tropical rainforest but increasingly the focus for agricultural expansion; and northern hills and mountains, generally still forested and relatively inaccessible.
- Central Kalimantan's remaining lowland forests are among **the most species-rich terrestrial habitats in the world and its peat swamp forests contain unique plant and animal assemblages**.
- Timber extraction was an important source of income from the 1970s through the early 2000s but the industry was poorly governed and employed very poor logging practices, leaving large areas of degraded, fire-prone forests. Large areas of degraded forest burned during the El Nino-related drought of 1997-98.
- The province contains **3 million hectares of tropical peatlands; 52% of the total for Kalimantan and 8% of the total worldwide**.



Forest and peat land areas of Central Kalimantan

These peatlands account for nearly 70% of Central Kalimantan's total forest biomass and below ground carbon stock of 9 gigatons. These carbon stocks are at severe risk from agriculture, mining and forestry. A provincial government carbon emissions assessment found that under the business-as-usual scenario, emissions are projected to grow from 300MtCO₂ in 2005 to around 430MtCO₂ by 2015.

- Most emissions result from licensing 5.8 million hectares of forest and peatlands for agriculture, mining and forestry, threatening**

30% of the province's carbon stock. The use of fire for land clearance, particularly in peatlands, is the largest driver of emissions followed by peat decomposition after drainage for agriculture.

- Oil palm expansion in Indonesia is estimated to account for **125 MtCO₂ of emissions each year**, making it the second largest source of carbon loss and the leading cause of deforestation.

Social

- Indigenous **Dayak peoples are the largest ethnic group** in the province (37.9%), followed by Banjarese (24.2%), Javanese (18.06%), and various ethnic groups from elsewhere in Indonesia.
- The Dayak population is a mosaic of linguistic and cultural sub-groups whose livelihood strategies **traditionally combined subsistence agriculture, hunting, fishing, gathering of food and medicinal products from the forest, and collection and sale of non-timber forest products** such as rattan.
- Many Dayaks have entered the wage economy in recent decades, first as loggers and more recently in the oil palm and mining industries. Banjarese have a very long history as traders in coastal areas. **A majority of Javanese and other non-indigenous peoples came to the province in recent decades as agricultural migrants, including through the Transmigration Program in the 1970s and 80s.**

Economics

- Central Kalimantan has achieved a consistent **annual GDP growth rate of 5.8 percent** since 2003, with a relatively even distribution of growth across districts.
- Plantations and mining are the largest and fastest-growing sectors, respectively, together accounting for a third of provincial GDP. **Palm oil contributes approximately 25% of provincial GDP** and dominates the plantation agricultural sector. In the past decade, mining has grown at an annual rate of 26% and currently accounts for 9% of provincial GDP.
- Central Kalimantan is rich in minerals, notably gold and coal. **Gold exploration** permits have been issued to domestic and international firms and artisanal gold mining is a long-practiced source of income for both residents and migrants. **Large coal deposits** have been found in the Barito River basin and the upper Kahayan and Kapuas River basins, including deposits of valuable hard coking coal used for steel production. Central Kalimantan is a frontier for coal exploitation in contrast to the established mining areas in East and South Kalimantan.

- For centuries, rivers were the main transportation arteries and most communities were located close to rivers. **Road construction faces major obstacles in the forms of vast areas of peat swamp** and wide rivers that drive up construction and maintenance costs. A basic road network has been constructed including the recently-completed Trans Kalimantan Highway but in general the road infrastructure remains inadequate in both coverage and quality. All current and planned coal development relies on barging the product down the Barito River to the sea. A railroad is planned to by-pass the shallow, upper section of the river.
- Another essential element to support development is electrical power generation and distribution. The current focus is on rapidly increasing capacity through construction of new coal fired power plants and expanding the capacity of existing plants. Other energy sources are being considered including energy production using agricultural waste.

Politics

- **Governor Teras Narang** is a popular and visionary leader who was elected by significant majorities in 2005 and 2010.
- **A new governor of Central Kalimantan will be elected in 2015**
- The Governor's development vision is based on the premise that optimum long-term prospects for the province lie in **increasing agricultural productivity, relocating production onto suitable low-carbon lands, and maintaining critical ecosystems (and carbon stocks) as a source of environmental services.**
- At the heart of this vision lie parallel ambitions to **raise the annual economic growth rate to 7.5%, reduce poverty and unemployment below 2%**, and resolve critical land use issues that threaten to undermine equitable sharing of benefits.
- Nominated as **Indonesia's REDD+ pilot province**, Central Kalimantan has been at the centre of sub-national efforts to integrate low carbon development and green growth with economic, land-use and development planning.
- The Governor is an important spokesperson for green growth in a wide range of international and domestic forums. Provincial leaders have taken important steps to remove the regulatory, social and political impediments to achieving the Governor's vision. With the Governor's support, the province has become a hub for demonstration activities related to ecosystem restoration, social and environmental safeguards, community based forestry, landscape level forest management units, and peatland restoration.



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