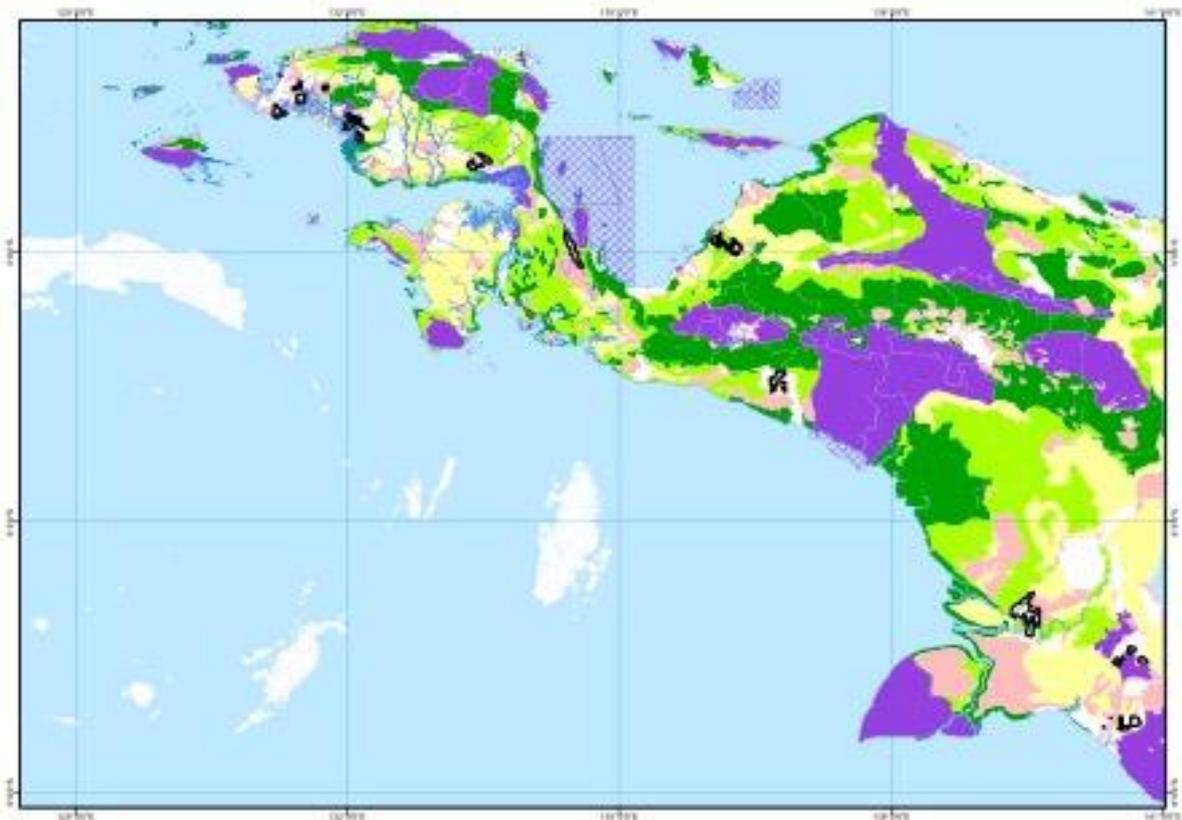




**MINISTRY OF
ENVIRONMENT AND FORESTRY
REPUBLIC OF INDONESIA**

REPORT ON DEFORESTATION IN PAPUA AND WEST PAPUA FROM STATE FOREST RELEASE AREAS



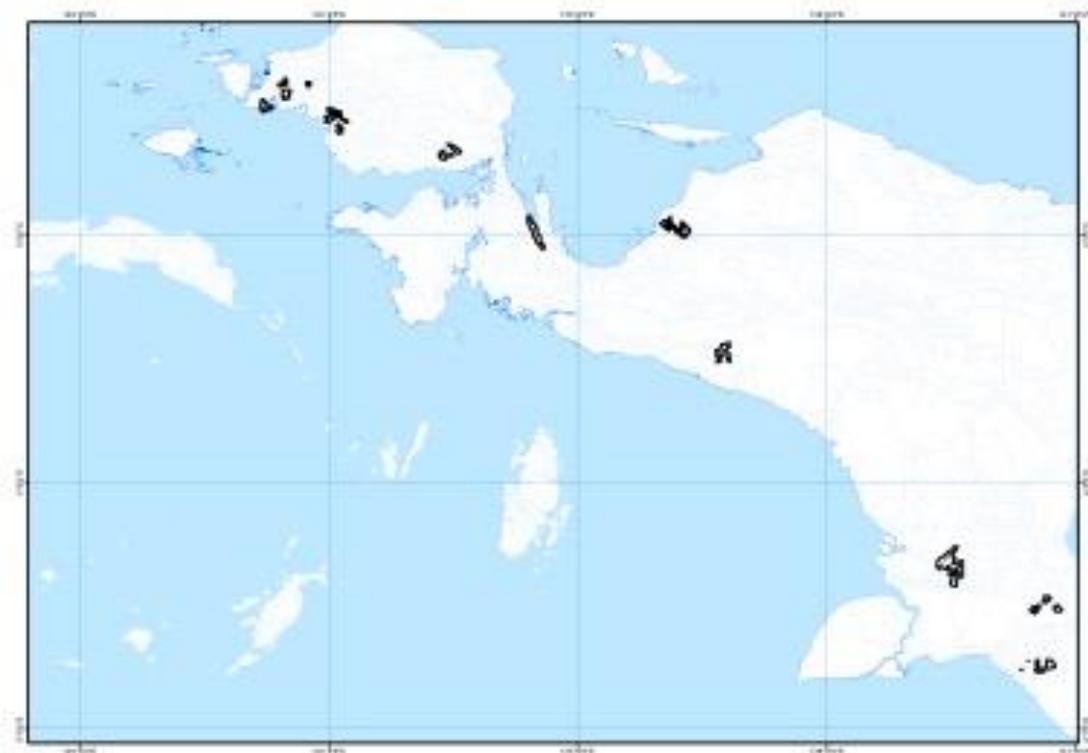
15 FEBRUARY 2021

I. BACKGROUND

This report constitutes an empirically-based technical confirmation from the Ministry of Environment and Forestry (KLHK) which looks at the greatest sources of deforestation in Papua and West Papua provinces in State Forest Release (PKH) areas.

The Ministry of Environment and Forestry needs to re-emphasize that almost none of the deforestation in PKH areas in Papua and West Papua came from PKH Decrees issued by the Head of BKPM (Indonesian Investment Coordinating Board) and Minister of the Environment and Forestry Siti Nurbaya during President Joko Widodo's administration.

This report discusses levels of deforestation with regard to natural forest within the total area in the two provinces included in PKH Decrees, as issued by the Head of BPKM (Indonesian Investment Coordinating Board) and Minister Siti Nurbaya in the 2015-2019 period through 17 PKH Decrees covering 269,132 hectares, the distribution of which is indicated by the following map.



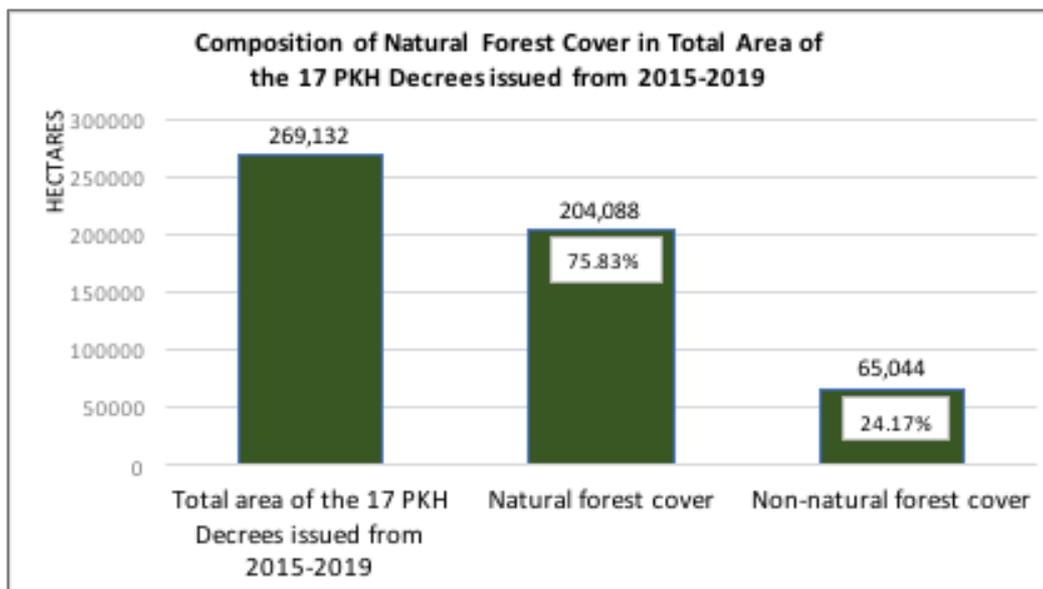
It should be noted that 12 of the 17 PKH Decrees came from a continuation of the process of principle approval initiated by the previous government.

Of the total PKH area of 269,132 hectares granted during the 2015-2019 period, only 87,375 hectares (32.47%) constitute PKH area for which 100% of the principle approval and PKH Decrees were issued in the 2015-2019 period.

This report discusses the deforestation that occurred in 2015 as well as the cumulative deforestation that took place during the 2015-2019 period in Papua and West Papua in the total area from 17 PKH Decrees issued by the Head of BPKM and Minister of the Environment and Forestry Siti Nurbaya in the 2015-2019 period, spanning 269,132 hectares.

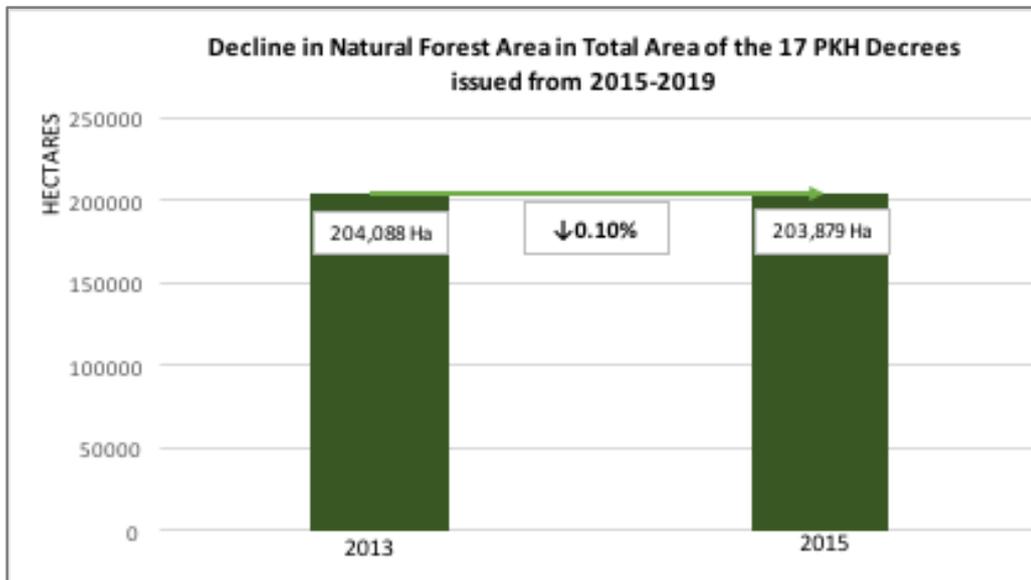
II. GREATEST SOURCE OF DEFORESTATION IN 2015

Prior to the issuance of the 17 PKH Decrees during the 2015-2019 period covering a total area of 269,132 hectares, 2013 data shows that 204,088 hectares, or 75.83% of this total PKH area, was still composed of natural forest. The other 24.17% did not include natural forest cover, as portrayed in the following graph.



These 204,088 hectares of natural forest form the subject of discussion with respect to the level of deforestation in the total area encompassed by the 17 PKH Decrees issued in the 2015-2019 period.

In 2015, the distribution of natural forest in the total area encompassed by the 17 PKH Decrees issued from 2015-2019 was still very substantial, totaling 203,879 hectares. In other words, deforestation of a mere 209 hectares, a 0.1% dip, of the total natural forest area covered by the 17 PKH decrees had taken place, as shown in the following graph.



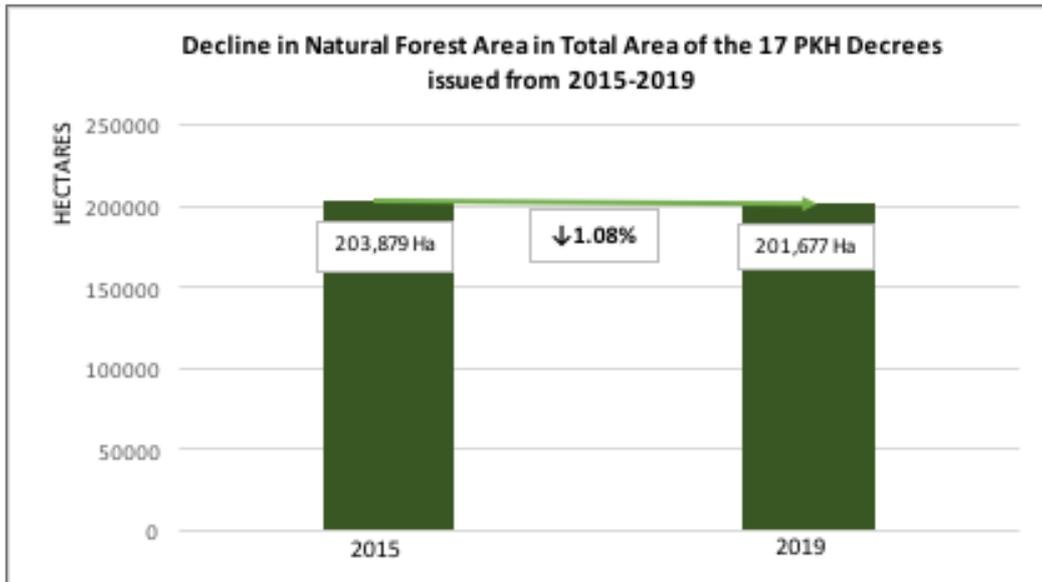
As such, the greatest source of deforestation in 2015 was not at all from the total area of the 17 PKH Decrees issued by the Head of BKPM and Minister of Environment and Forestry Siti Nurbaya during the 2015-2019 period.

Instead, almost 100% of deforestation in PKH areas in Papua and West Papua in 2015 occurred outside the total area of the 17 PKH Decrees issued by the government of President Joko Widodo during the 2015-2019 period.

III. GREATEST SOURCE OF DEFORESTATION FROM 2015-2019

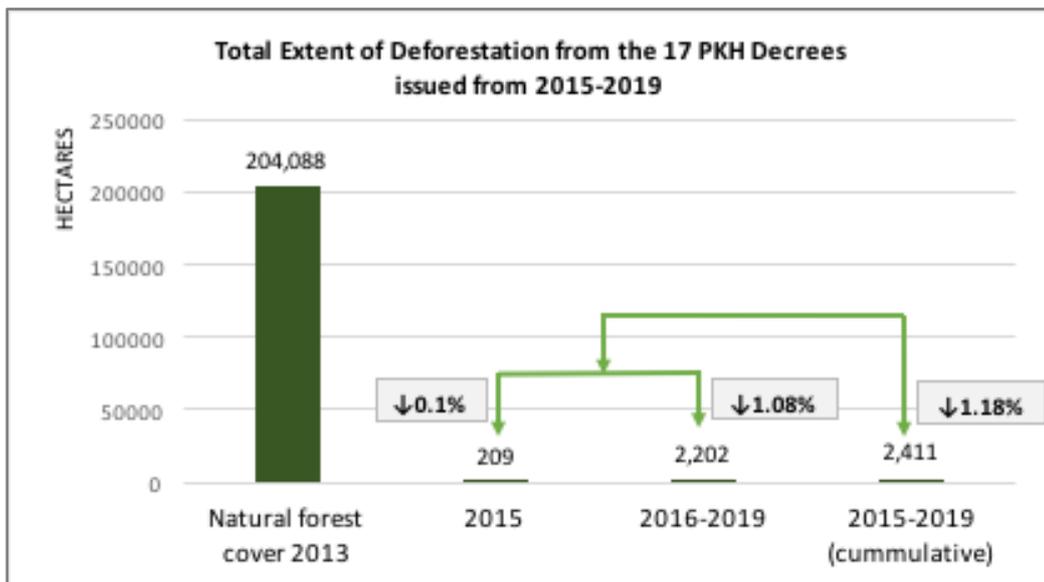
From 2016-2019, deforestation in the total area covered by the 17 PKH Decrees amounted to 2,202 hectares, a decrease in natural forest area of 1.08% from the total area of natural forest included in the 17 PKH Decrees.

Of the 203,879 hectares of natural forest in the 17 PKH Decrees in 2015, 201,677 hectares still remained in 2019, indicating a rate of loss of natural forest from 2016-2019 of 1.08% from the 17 PKH Decrees issued in Papua and West Papua, as depicted in the following graph.



Thus, by 2019, there were still 201,677 hectares of natural forest, equivalent to 98.82% of the original 204,088 hectares, which made up the total area of natural forest in the 17 PKH Decrees.

Cumulatively, the total area of natural forest decline from 2015 to 2019 stood at just 2,411 hectares. This means that there was a decrease in natural forest area during the 2015-2019 period amounting to 1.18% of the total natural forest area in the total area included in the 17 PKH decrees, as seen in the following graph.



This figure reinforces the fact that almost zero deforestation in Papua and West Papua from 2015-2019 originated from the total area of the 17 PKH Decrees issued by the Head of BPKM and Minister of Environment and Forestry Siti Nurbaya during President Joko Widodo's administration.

IV. LATEST DEFORESTATION DEVELOPMENTS

Referring to USGS and Sentinel Hub satellite data with the latest coverage from late January to early February 2021, of the 201,677 hectares of natural forest situated in the total area of the 17 PKH Decrees in 2019, close to 100% remains as natural forest cover.

This means that during 2019-2020, there was almost no deforestation in the total area included in the 17 PKH Decrees. This also confirms that during the ongoing pandemic, the amount of deforestation in the total area of the 17 PKH Decrees is nearly zero, at least as of the end of January/early February 2021.

V. MONITORING OF NATURAL FORESTS IN PKH AREAS FROM 1992-2019

With regard to the distribution of natural forests in the total area encompassed by all PKH Decrees issued in the 1992-2019 period, especially those designated for the development of oil palm plantations, corrective steps have been taken by identifying high conservation value natural forest cover areas, including forests with high carbon stocks, which have been duly classified as potential areas for conservation forests in the PKH areas concerned.

In the early stages, the Ministry of Environment and Forestry identified 1.26 million hectares of natural forest still standing in Papua and West Papua in areas included in PKH Decrees issued from 1992-2019.

The results of satellite data-based monitoring conducted from late September/early October 2018 to late January/early February 2021 showed that there was deforestation of 2,645 hectares out of the 1.26 million hectares, a fall in natural forest area of only 0.21%. In other words, as much as 99.79% of the 1.26 million hectares of natural forest in Papua and West Papua remains intact.

These monitoring efforts are part of the follow-up to the implementation of the Presidential Instruction on a Palm Oil Moratorium (issued by President Joko Widodo on September 19, 2018), given that, to date, no proposal has been forthcoming from the regional heads to the Environment and Forestry Minister regarding the return of areas with good forest cover lying in blocks of PKH areas in their administrative jurisdictions to be reincorporated into the state forest areas.

The Ministry of Environment and Forestry continues to monitor deforestation trends, both through satellite-based monitoring and field observations at a certain level, within the 1.26 million hectares of natural forest still located in the PKH areas which are designated for oil palm plantation development.

VI. CONCLUSION

With deforestation of 2,411 hectares, or a decrease in natural forest area of just 1.18% of the total area of natural forest included in the 17 PKH Decrees from 2015-2019, complemented by almost zero deforestation in the period from 2019 to the end of January/early February 2021, it is very clear that the vast majority of deforestation in PKH areas in Papua and West Papua is not the result of the 17 PKH Decrees issued by the Head of BKPM and Minister of Environment and Forestry Siti Nurbaya under the Presidency of President Joko Widodo.

